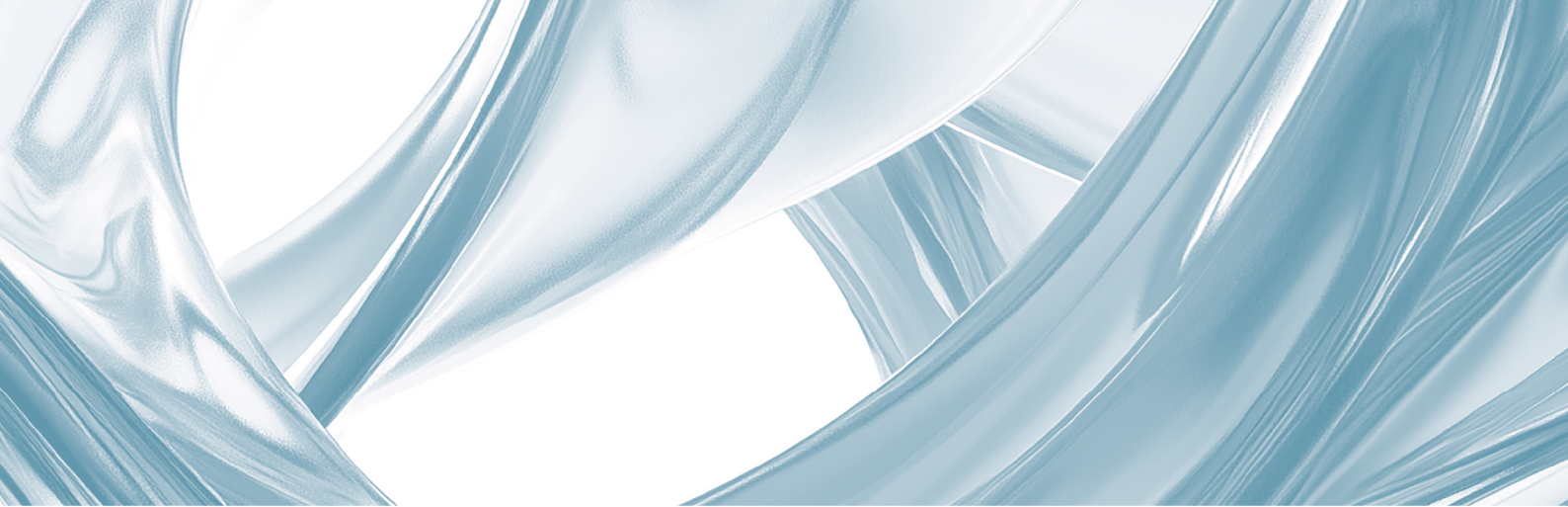


**Environmental, Social  
and Governance Report**  
TONGDA GROUP HOLDINGS LIMITED

2025



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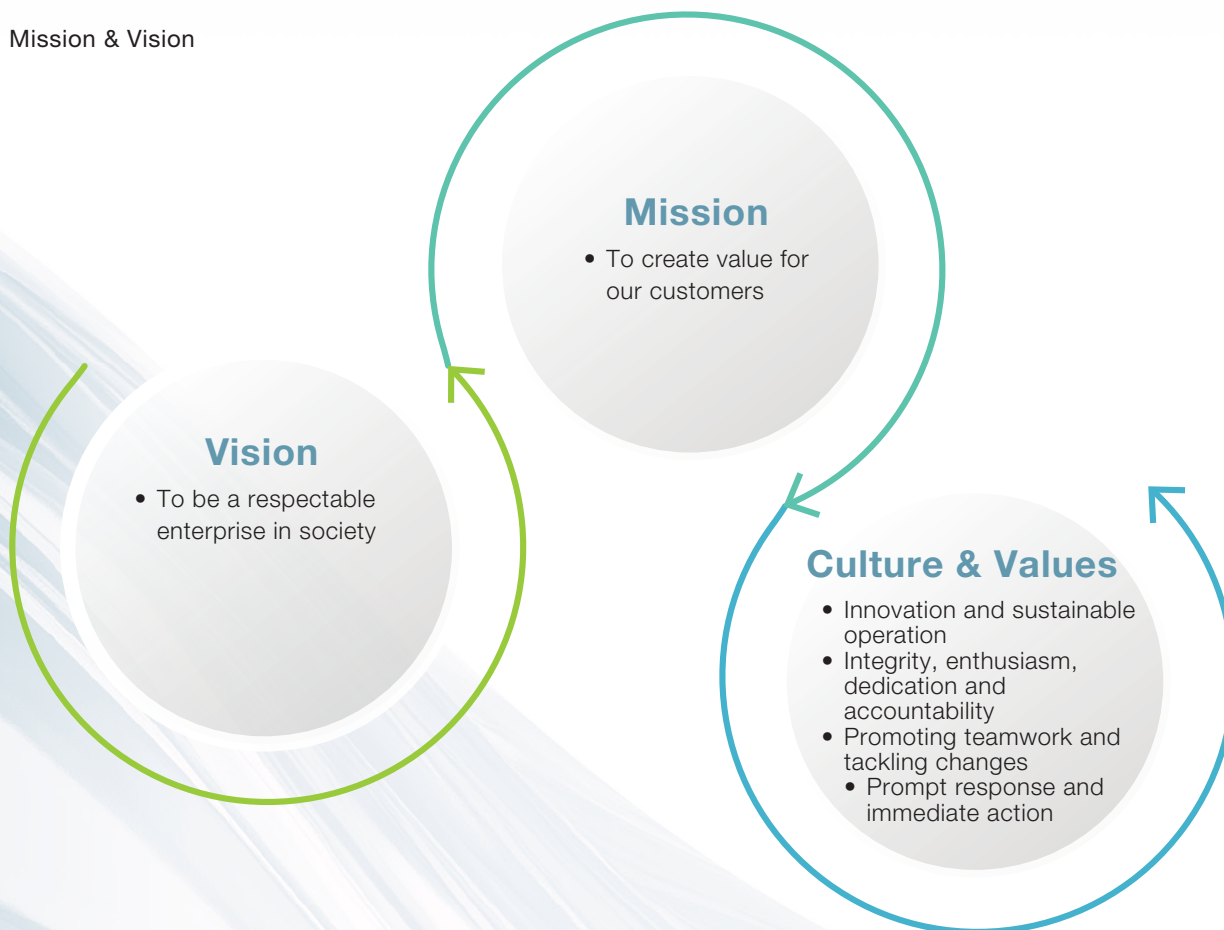
# Environmental, Social and Governance Report

## ABOUT THE GROUP

Tongda Group Holdings Limited (“**Tongda**” or the “**Company**”) and its subsidiaries (collectively the “**Group**” or “**Tongda Group**”) was founded in 1978. The Group was successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) in 2000 and subsequently implemented a strategic transformation from a traditional home appliance manufacturer into a global leading solution provider of precision structural components for smart communications and consumer electronic products. We provide customers with comprehensive one-stop solutions covering product design, technical research and development (“**R&D**”), and manufacturing.

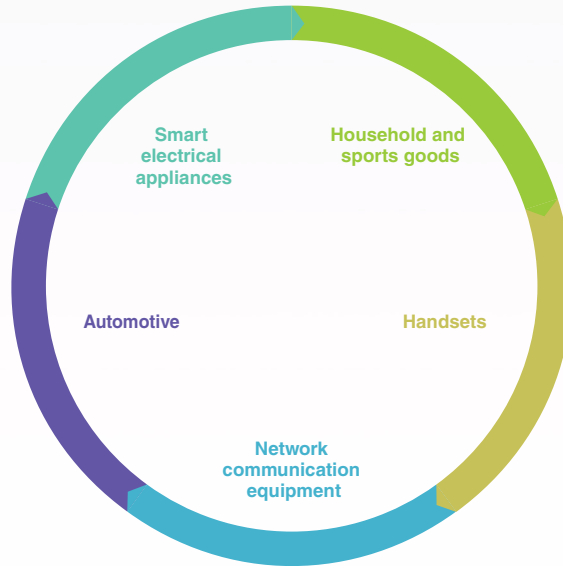
Leveraging years of accumulated patented technologies, the Group continues to develop its business diversification. As an industry leader, we focus on precision structural component solutions for smart mobile communications and consumer products, with an extensive product portfolio including handset casings, household and sports goods, panels for smart electrical appliances, as well as network communication facilities and other electrical consumer products.

### Mission & Vision



# Environmental, Social and Governance Report

## Business Overview

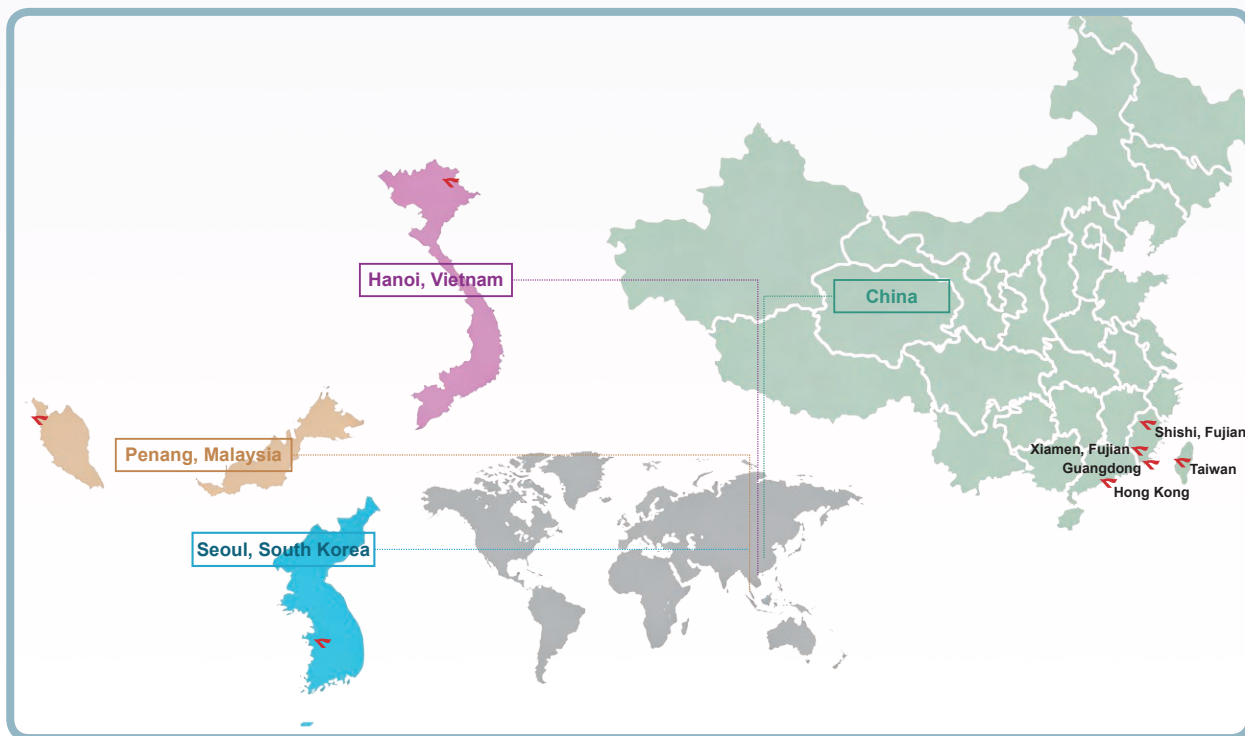


## Operation & Manufacturing

The Group focuses on innovative technology and craftsmanship as its core, continuously exploring diverse paths for value creation. We consistently strengthen our technological advantages, enhance manufacturing process capabilities, and leverage our diversified production capacity and professional R&D team to expand market scale and improve product quality, thereby continuously improving operational efficiency.

The Group's production bases are mainly located in Shishi, Xiamen, Guangdong in the People's Republic of China ("China"), Vietnam and Malaysia, with its headquarters in Hong Kong and overseas offices in several countries and regions, building a multi-location service network with more than 9,000 long-term employees.

# Environmental, Social and Governance Report



## ABOUT THE REPORT

Tongda Group hereby presents our tenth Environmental, Social and Governance (“**ESG**”) Report (the “**Report**”). As part of our commitment to ongoing transparency, this Report details our strategies, approaches, and achievements in sustainable development. To ensure widespread dissemination of information, we have uploaded the complete Report to Tongda Group’s official website ([www.tongda.com](http://www.tongda.com)) and the Hong Kong Stock Exchange website ([www.hkexnews.hk](http://www.hkexnews.hk)). The Report is available in both Chinese and English versions for reference. In case of any discrepancy in interpretation, the Chinese version shall prevail.

### Reporting Scope

The Report provides detailed information about Tongda Group’s core business operations from 1 January 2025 to 31 December 2025 (the “**Year**” or “**2025**”). The Report covers the Group’s main business segments, including manufacture and sale of components of handset casings, panels for smart electrical appliances, household and sports goods, network communication facilities and other electrical consumer products.

# Environmental, Social and Governance Report

The scope of the Report is determined based on the significance and prominence of the impact of ESG factors on the business segments under the Group's operational control, and differs from the scope of the Group's annual report for this year.<sup>1</sup>

Geographically, the Report focuses on our operations of our production facilities in Shishi, Xiamen, and Guangdong of China. To ensure the Report's materiality and accuracy, we have selectively excluded operational data from offices distributed across various locations, as these office premises primarily serve support functions and have relatively minor impact on the Group's overall sustainable development. Overall, with the exception of the Malaysian production base, which was excluded from the Report because its environmental impact and workforce size have always been relatively limited compared to the Group as a whole, Tongda Precision, which was closed due to Group business adjustments<sup>2</sup>, and the production bases covered by the Shishi home appliances division, which have undergone adjustments, the remaining parts remain consistent with the reporting scope for the period from January 2024 to 31 December 2024 ("**Last Year**" or "**2024**"). In addition, greenhouse gas emissions (Scope 1, Scope 2 and related Scope 3 categories) are disclosed using an operating control approach, and their reporting scope is consistent with that of this Report. Therefore, due to changes in the reporting scope, the data for this reporting period may not be fully comparable to the data for the same period in 2024.

## Reporting Principles

The Report strictly adheres to the Environmental, Social and Governance Reporting Code (the "**Code**") issued by The Stock Exchange of Hong Kong Limited ("**Stock Exchange**"), which is set out in Appendix C2 of the Listing Rules. In our preparation process, we uphold the principle of materiality to ensure content is meaningful to stakeholders, employ quantitative indicators to accurately measure environmental and social performance, maintain a balanced approach to objectively present achievements and challenges, and maintain consistency to enable meaningful comparison with previous years' data.

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<sup>1</sup> This Report covers the performance of the following business segments: Xiamen handsets and components division, Shishi handsets and components division, Xiamen smart tech division, Shishi smart tech division, Guangdong network communications division, and Shishi home appliance division.

<sup>2</sup> Since Tongda Precision ceased operations after March 2024 (Details could be referred to Note 10 to the Consolidated Results of the Company's Annual Results Announcement for the year ended 31 December 2025 which was published on 26 March 2026), it will no longer be included in the scope of this year's Report. The scope of the 2024 report covers Tongda Precision's data up to March 31, 2024.

# Environmental, Social and Governance Report

<b>Materiality</b>	The Group maintains regular communication with key stakeholders and conducts annual questionnaire surveys and materiality assessments to identify and evaluate ESG (including climate change) issues significant to both the Group and key stakeholders, in order to determine Report content and make key points disclosures.
<b>Quantitative</b>	Where feasible, the Group records and collects data for various ESG key performance indicators, disclosing relevant quantitative information and historical data in this Report for comparison and evaluation. The performance data of the Group's key indicators are from the statistics of the relevant departments. Additionally, appropriate explanations regarding the standards, methodologies, assumptions, calculation tools, and references used for each key performance indicator are included in this Report.
<b>Balance</b>	The Report adheres to the principle of impartiality, providing truthful and comprehensive disclosure of the Group's ESG achievements and challenges, allowing readers to evaluate performance objectively and fairly.
<b>Consistency</b>	This Report has been prepared using consistent standards, with reporting scope, data statistics, and reporting methods remaining largely identical to the 2024 ESG report to ensure comparability. The Group has also provided explanations for any inconsistencies with previous reports, if any.

# Environmental, Social and Governance Report

The Report adheres to the disclosure requirements specified in the Code and provides detailed explanations of compliance matters. Where any provisions cannot be fully implemented due to business nature or other reasons, we have provided sufficient explanation in the relevant sections of the Report.

The Group's greenhouse gas ("**GHG**") emissions were calculated based on the methodologies and emission factors set out in the "Tackling Climate Change – Metrics and Target" KPI section of the Report, with reference to Appendix 2: Reporting Guidance on Environmental KPIs of the Code. Methodologies for Scope 1, Scope 2 and Scope 3 calculations, including activity data sources and emission factors, are detailed within the relevant KPI disclosures. The Group also referred to climate-related metric guidance under the IFRS Sustainability Disclosure Standards, as encouraged by Stock Exchange.

## Confirm and Approval

The data in the Report is primarily based on the Group's internal document records and statistical information, and all content has been carefully reviewed and formally confirmed by the Board of Directors. All information and data presented in the Report are sourced from the Group's internal systems and documents, and have been fully reviewed and verified by the Board of Directors.

The Group hereby confirms that all information contained in the Report is derived from internal Group documents and statistics, and the Board of Directors has completed its review and approved all content.

## Feedback and Comments

We value your opinion. Your valuable suggestions will help us continuously improve our sustainability performance. If you have any comments regarding the Group's sustainability work or this Report, please email [ir@tongda.com.hk](mailto:ir@tongda.com.hk). Your feedback will help us continue to optimize our corporate sustainability practices.

# Environmental, Social and Governance Report

## MESSAGE FROM CHAIRMAN

Dear Stakeholders:

The global trend of accelerating the transition to a low-carbon economy presents unprecedented challenges and opportunities for the electronics manufacturing industry. As an industry leader, our Group understands that this policy will not only significantly impact product export costs but also fundamentally reshape the global supply chain landscape. In response to this significant change, we are actively deploying comprehensive strategies to maintain our competitive advantage while steadfastly promoting green transformation.

The Group has always prioritized environmental protection, systematically promoting green improvement and management optimization of production processes. We comprehensively implement energy-saving and emission-reduction measures, with the core objective of minimizing our carbon footprint across the entire process from raw material selection and production processes to product packaging. Through advanced intelligent manufacturing systems, optimized energy management, environmentally friendly materials, and strict waste management, we have significantly reduced carbon emission intensity while improving production efficiency. These initiatives effectively respond to the growing China and international demand for low carbon products while establishing the Group's crucial position in the global green supply chain.

While strengthening our environmental performance, we are also enhancing corporate governance. By establishing robust risk management systems, streamlining decision-making processes, strengthening internal controls, and adopting international best practices, the Group ensures an optimal balance between operational efficiency and compliance. We continuously improve our ESG management framework, integrating sustainability throughout our strategic planning and daily operations to create long-term value for shareholders. We also prioritize stakeholders' engagement, regularly collecting feedback and adjusting policies to ensure our strategy aligns with market demands and social expectations.

Looking ahead, the low-carbon transition presents both challenges and tremendous opportunities. The Group will increase investment in green technology innovation, optimize production processes, and improve resource utilization efficiency. We believe that by integrating sustainability into the core strategy of our corporate development, we can seize opportunities in the global low-carbon economic transition and achieve sustainable long-term growth with high quality. We will uphold the principles of openness, innovation, and mutual benefit, collaborating with all stakeholders to promote industry wide green transformation and contribute to a more sustainable future.

**Tongda Group Holdings Limited**  
**Wang Ya Nan**

*Chairman and Chief Executive Officer*

## OUR APPROACH TO SUSTAINABILITY

We are committed to innovation-driven sustainable development. By continuously optimizing our operating model, we ensure steady business growth while actively fulfilling our corporate social responsibility and creating long-term value for our stakeholders.

### Sustainability Strategy

The Group's sustainability strategy rests on four pillars: environmental protection, care for employees, customer service, and community contribution. We have implemented comprehensive ESG management policies and action plans to fulfill these commitments. By maintaining close partnerships with our stakeholders — including employees, shareholders, investors, suppliers, customers, government departments, and communities — we promote sustainable development through transparency and openness. We continuously monitor market dynamics and social expectations, adapting our ESG strategies and measures to seize opportunities and address challenges while driving our enterprise's sustainable growth.



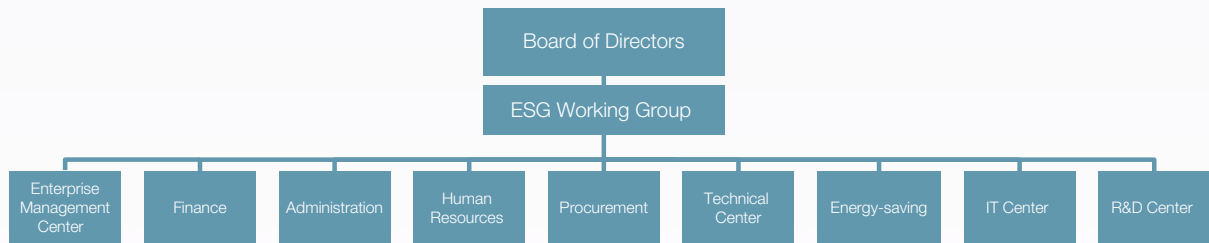
# Environmental, Social and Governance Report

## Sustainability Governance

### *Governance Structure*

The Group has established a comprehensive sustainable development governance structure, led by the Board of Directors and implemented by a cross-departmental Environmental, Social and Governance working group, ensuring that sustainability principles are integrated into every aspect of business operations. This two-tier governance structure not only strengthens effective communication between decision-making and execution levels but also facilitates the implementation of corporate governance, environmental protection, and social responsibility in daily operations and the application of low-carbon operation strategies. Through this management model, we can pursue business growth while creating positive impacts for society and the environment. In addition, in response to the global issue of climate change, as a responsible corporate citizen, Tongda Group fully supports this vision and has incorporated climate change-related work into the Group's overall ESG governance (including climate change). The Board bears ultimate oversight responsibility for the Group's sustainable development (including climate change) and is responsible for formulating sustainable development strategies and directions, approving ESG-related policies and this Report, and delegating the implementation of policies, collecting data, and carrying out work through cross-departmental ESG working group. The Board assessed the materiality based on the Code, reporting trends, and stakeholder engagement. It reviews and confirms the priorities and management focuses of material ESG (including climate change) issues, and regularly listens to reports from the ESG working group, participates in and reviews the identification and assessment of ESG (including climate change) related risks and opportunities at least annually, makes adjustments to relevant strategies as needed and reviews and examines the progress of annual ESG (including climate change) related targets to ensure that the Group's overall strategy is consistent with its sustainable development targets. In accordance with government requirements, the Group has formulated short-term and long-term sustainable development targets committed to continuous emission reduction and takes the globally recognized 2050 carbon neutrality milestone as the guiding principle for its climate strategy.

# Environmental, Social and Governance Report

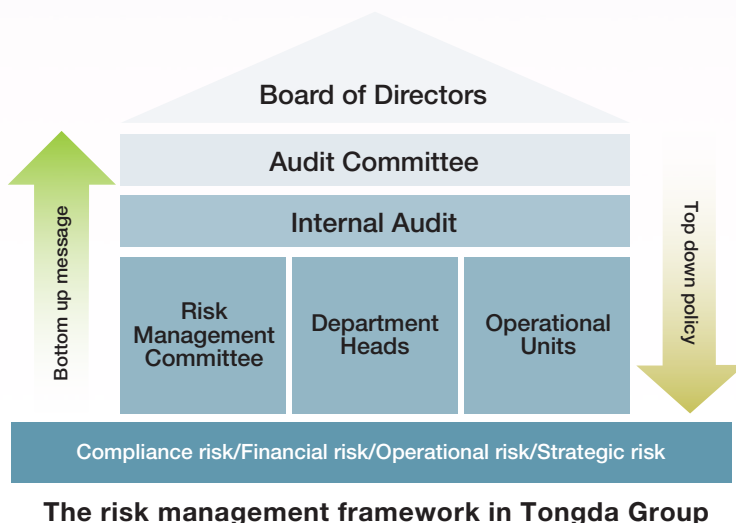


	Responsibility	Task
The Board of Directors	Responsible for overall ESG strategy and supervision <ul style="list-style-type: none"> <li>Set direction</li> <li>Monitor risks</li> <li>Review effectiveness</li> </ul>	<ul style="list-style-type: none"> <li>Develop sustainability strategy and vision</li> <li>Assess and monitor ESG risks</li> <li>Review ESG performance and target achievement</li> <li>Approve ESG-related policies and reports</li> </ul>
ESG Working Group	Authorized by the Board to execute and implement <ul style="list-style-type: none"> <li>Implement policies</li> <li>Collect data</li> <li>Prepare reports</li> </ul>	<ul style="list-style-type: none"> <li>Execute ESG policies established by the Board</li> <li>Evaluate ESG risks and provide improvement suggestions</li> <li>Regularly report progress to the Board</li> <li>Manage ESG data and prepare related reports</li> </ul>

# Environmental, Social and Governance Report

## Risk Management

Tongda Group understands that risk management plays a crucial role in sustainable development. Through our comprehensive ESG management system, we actively identify and respond to various sustainability challenges and opportunities. The Board of Directors bears supervisory responsibility, regularly evaluating and reviewing the Group's risk management system through the Audit Committee to ensure its continued effective operation.



At the operational level, we have established a comprehensive internal audit mechanism covering areas such as environmental protection, climate change response, social responsibility, and occupational safety. Through annual audits, we closely monitor the performance of each department to ensure their operations meet established standards. The management team evaluates the appropriateness of existing systems based on audit results and makes adjustments when necessary.

We have developed detailed management plans for most of our divisions and continuously update our risk assessment checklists, including major hazard sources and risk control measures, as well as significant environmental factors, to comprehensively identify and manage potential risks. Through regular review and optimization of our risk management strategies, we are committed to building a more robust ESG management system and promoting the Group's sustainable development.

## Pollutions

### Risk description

Pollution prevention measures failing to meet expected requirements, resulting in excessive emissions

Failure to consider product lifecycle during new project development may lead to serious environmental pollution

### Corresponding measures

- Assign dedicated personnel to regularly evaluate the effectiveness of environmental protection measures and adjust preventive measures when necessary
- Closely monitor emission data and promptly report and rectify any anomalies
- Require the development department to monitor each lifecycle stage to prevent environmental pollution or incidents
- Conduct random testing of new projects periodically to ensure compliance with environmental requirements

## Occupational health and safety

### Risk description

Failure to comprehensively understand the safety laws and regulations related to special equipment, causing violation of requirements during production process, which may lead to safety accidents

Employees lack safety awareness due to inadequate safety training, resulting in occupational hazards

### Corresponding measures

- Update relevant laws and regulations in a timely manner, and formulate operating procedures for various special equipment in strict accordance with relevant requirements
- Regularly arrange external training for employees using special equipment and verify their working qualification with certificates
- Regularly inspect special equipment and personal protective gears
- Strengthen health and safety training, especially on the use and storage of chemicals, flammable and explosive materials, and the operation and maintenance of machines
- Identify special and high-risk positions and arrange regular physical examinations

# Environmental, Social and Governance Report

Quality control	
<b>Risk description</b> The product production plan fails to meet order requirements, resulting in an excessively high defect rate or product delivery delays	<b>Corresponding measures</b> <ul style="list-style-type: none"><li>• Develop proactive plans to reduce product defect rates, strengthen on-site guidance and quality control, and implement timely corrective and preventive measures to address issues such as excessively high defect rates or product delivery delays, ensuring compliance management and monitoring</li><li>• Reasonably formulate production plans based on product characteristics and actual production capacity, and maintain close communication with customers to align with the order requirements</li></ul>

## Compliance Management

Compliance is a fundamental cornerstone of our operations. As a responsible corporate citizen, we understand the importance of adhering to laws and regulations, and are committed to maintaining the highest standards of ethics and compliance. Any non-compliance not only potentially damages the Group's operations and reputation but may also lead to serious legal consequences and financial losses. Furthermore, non-compliance can affect relationships with customers, suppliers, and investors, weakening the Group's market competitiveness. To prevent such occurrences, we take a proactive approach by regularly evaluating and updating our compliance policies.

To this end, we have established a comprehensive and robust internal control system that covers all business segments and operational processes. This system is regularly reviewed and optimized by the Board of Directors and Audit Committee to ensure business operations comply with all relevant regulatory requirements. We also provide regular compliance training for employees to enhance their knowledge and understanding of relevant laws and regulations, fostering a compliance-conscious culture.

During this year, the Group has maintained a strong compliance record across all ESG aspects, with no incidents of legal violations or corruption litigation cases. We believe that a sound compliance culture not only protects Group interests but also creates long-term value for stakeholders.

## Environmental aspects

- "Environmental Protection Law of the People's Republic of China"
- "Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution"
- "Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes"
- "Energy Conservation Law of the People's Republic of China"
- "Water Law of the People's Republic of China"
- "Water Pollution Prevention and Control Law of the People's Republic of China"
- "Law of the People's Republic of China on Environmental Impact Assessment"
- "Law of the People's Republic of China on Promoting Clean Production"
- "Circular Economy Promotion Law of the People's Republic of China"
- "Directory of National Hazardous Wastes"
- "Regulation on the Administration of Permitting of Pollutant Discharges"
- "Regulation on Urban Drainage and Sewage Treatment"
- "Administrative Measures for Urban Living Garbage"
- "Measures on the Management of Hazardous Waste Manifests"
- "Measures for the Administration of Carbon Emissions Trading (for Trial Implementation)"
- "Administrative Measures on the Prevention of Environmental Pollution by Electronic Wastes"
- "Emission Standard of Pollutants for Electroplating"
- "Integrated Emission Standard of Air Pollutants"
- "Emission Standard of Volatile Organic Compounds for Printing Industry"
- "Emission Standard of Volatile Organic Compounds for Industrial Surface Coating"

## Social aspects

### Employment system and labour standards

- "Labour Law of the People's Republic of China"
- "Trade Union Law of the People's Republic of China"
- "Labour Contract Law of the People's Republic of China"
- "Law of the People's Republic of China on Employment Promotion"
- "Law of the People's Republic of China on the Protection of Disabled Persons"
- "Law of the People's Republic of China on the Protection of Minors"
- "Law of the People's Republic of China on the Protection of Rights and Interests of Women"
- "Labour Insurance Regulations of the People's Republic of China"
- "Regulation on Paid Annual Leave for Employees"
- "Provisions of the People's Republic of China on the Prohibition of Using Child Labour"
- "Provisions of the State Council on Working Hours of Workers and Staff"
- "Special Rules on the Labour Protection of Female Employees"
- "Provisions on Minimum Wages"
- "Regulation on Public Holidays for National Annual Festivals and Memorial Days"

\* The English names of laws, regulations, internal documents and activities provided in this Report are translated for identification purposes only.

## Social aspects

### Occupational health and safety

- “Production Safety Law of the People’s Republic of China”
- “Regulation on Work-Related Injury Insurances”
- “Law of the People’s Republic of China on the Prevention and Treatment of Occupational Diseases”
- “Law of the People’s Republic of China on Prevention and Treatment of Infectious Diseases”

### Product responsibility

- “Product Quality Law of the People’s Republic of China”
- “Waste Electrical and Electronic Equipment Directive” (WEEE)
- “Model Toxics in Packaging Legislation”
- “European Union 2009/251/EC Directive”
- “Patent Law of the People’s Republic of China”
- “Cybersecurity Law of the People’s Republic of China”
- “Restriction of the use of Hazardous Substance” (RoHS Directive)
- “The Management measures of Limiting the Use of Hazardous Substances in Electrical and Electronic Products” (China RoHS)
- “Registration, Evaluation, Authorization and Restriction of Chemicals” (REACH)
- “Directive of Eco-design Requirements of Energy-using Products” (EuP Directive)
- “Measures for the Administration of Internet Domain Names of China”

### Anti-corruption



- “The Contract Law of the People’s Republic of China”
- “Criminal Law of the People’s Republic of China”
- “Anti-Unfair Competition Law of the People’s Republic of China”

For details on risk and compliance management and other corporate governance practices of the Group, please refer to the “Corporate Governance Report” section of the Group’s annual report.




## STAKEHOLDER ENGAGEMENT

Stakeholder engagement is crucial to the sustainable development of a business. Their support not only lays the foundation for our business growth but also provides valuable insights for the formulation of sustainable development strategies.

We firmly believe that effective two-way communication is key to success. Through establishing open and transparent dialogue channels, we continuously collect and integrate feedback from all parties to optimize our operational model and enhance governance effectiveness. This interactive exchange not only strengthens our connection with stakeholders but also drives our continued progress on the path of sustainable development.

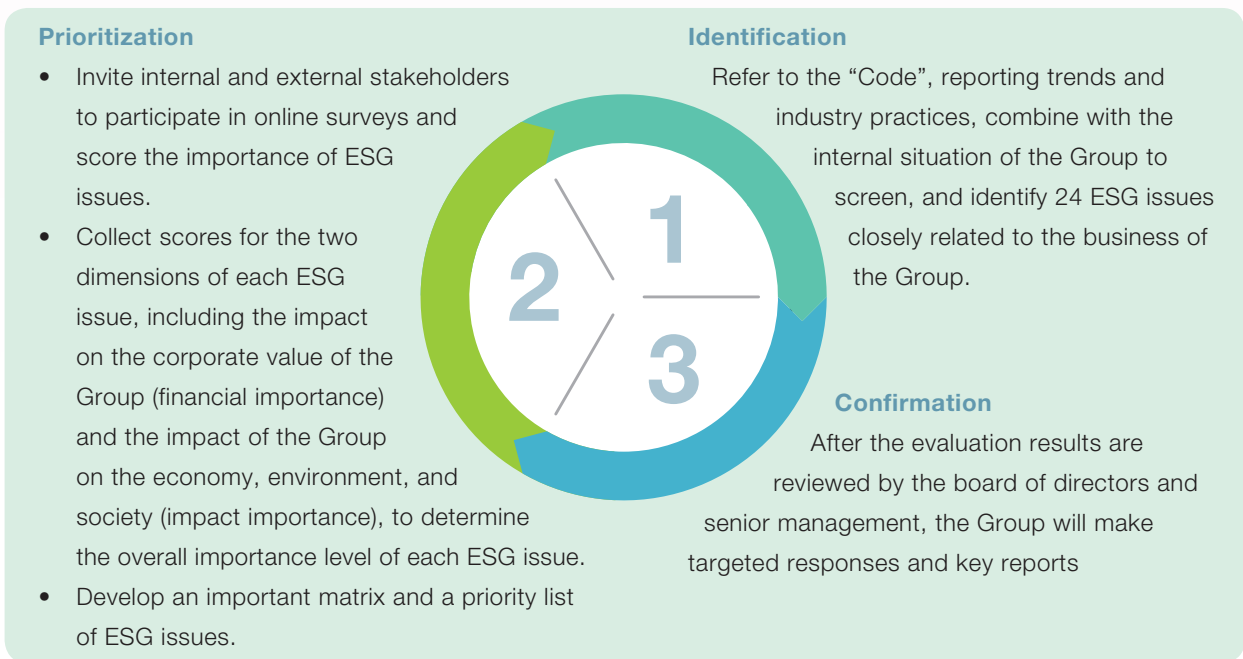
Stakeholders	Communication channels	Issues of concern	The Group's response and measures
<b>Investors and shareholders</b> 	<ul style="list-style-type: none"> <li>Annual General Meetings and Extraordinary General Meetings</li> <li>Investor presentation</li> <li>Annual reports, interim reports and announcements</li> <li>Investors' meetings</li> </ul>	<ul style="list-style-type: none"> <li>Safeguarding shareholders' interests</li> <li>Sustaining investment return</li> <li>Ensuring business performance and prospects of The Group</li> <li>Risk management and control</li> </ul>	<ul style="list-style-type: none"> <li>Convene Annual General Meetings and Extraordinary General Meetings</li> <li>Improve transparency of information disclosure</li> <li>Promote healthy and sustainable development of The Group</li> <li>Strengthen risk management and control</li> </ul>
<b>Customers</b> 	<ul style="list-style-type: none"> <li>Customer satisfaction surveys</li> <li>Seminars</li> <li>Customer complaint channels</li> </ul>	<ul style="list-style-type: none"> <li>Product safety and quality management</li> <li>Product R&amp;D and technological innovation</li> <li>Data security and customer privacy management</li> <li>Customer services and complaint handling</li> </ul>	<ul style="list-style-type: none"> <li>Strictly control on processes of R&amp;D, procurement and production, etc.</li> <li>Rapidly respond to customers' needs</li> <li>Enhance quality management</li> <li>Upgrade information and network security system</li> <li>Accelerate product R&amp;D and technological innovation</li> </ul>

# Environmental, Social and Governance Report

Stakeholders	Communication channels	Issues of concern	The Group's response and measures
<b>Suppliers</b> 	<ul style="list-style-type: none"> <li>• Supplier conferences</li> <li>• Regular meetings and daily communications</li> <li>• Site visits</li> <li>• Periodic audit</li> </ul>	<ul style="list-style-type: none"> <li>• Supply chain management and sustainable development</li> <li>• Anti-corruption and anti-fraud</li> <li>• Complying with the standard business conduct</li> <li>• Environmental protection and compliance</li> <li>• Product quality management</li> </ul>	<ul style="list-style-type: none"> <li>• Implement supplier admission and delisting mechanism</li> <li>• Conduct supplier training and audits</li> <li>• Sign a letter of commitment for integrity</li> <li>• Strengthen cooperation and communication</li> </ul>
<b>Employees</b> 	<ul style="list-style-type: none"> <li>• Staff hotline, forum and Chairman mailbox</li> <li>• Staff care center</li> <li>• Employee satisfaction surveys</li> <li>• WeChat official accounts</li> <li>• Internal newsletter</li> <li>• Regular training</li> </ul>	<ul style="list-style-type: none"> <li>• Employment system and management</li> <li>• Employee welfare and rights</li> <li>• Occupational health and safety</li> <li>• Employee development and training</li> </ul>	<ul style="list-style-type: none"> <li>• Comply with labour regulations</li> <li>• Provide competitive salaries and welfare</li> <li>• Implement health and safety management system</li> <li>• Optimize career development and training system</li> <li>• Establish a smooth and transparent communication mechanism</li> <li>• Organize employee activities</li> </ul>
<b>Government and community</b> 	<ul style="list-style-type: none"> <li>• News reports</li> <li>• Regulatory compliance reporting</li> <li>• Forums and exchanges</li> <li>• Community activities</li> </ul>	<ul style="list-style-type: none"> <li>• Abiding by laws and regulations</li> <li>• Promoting employment and local development</li> <li>• Environmental protection</li> <li>• Carrying out community charity activities</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure operation compliance</li> <li>• Organize voluntary activities and encourage active participation of employees</li> <li>• Participate in community construction and services</li> </ul>

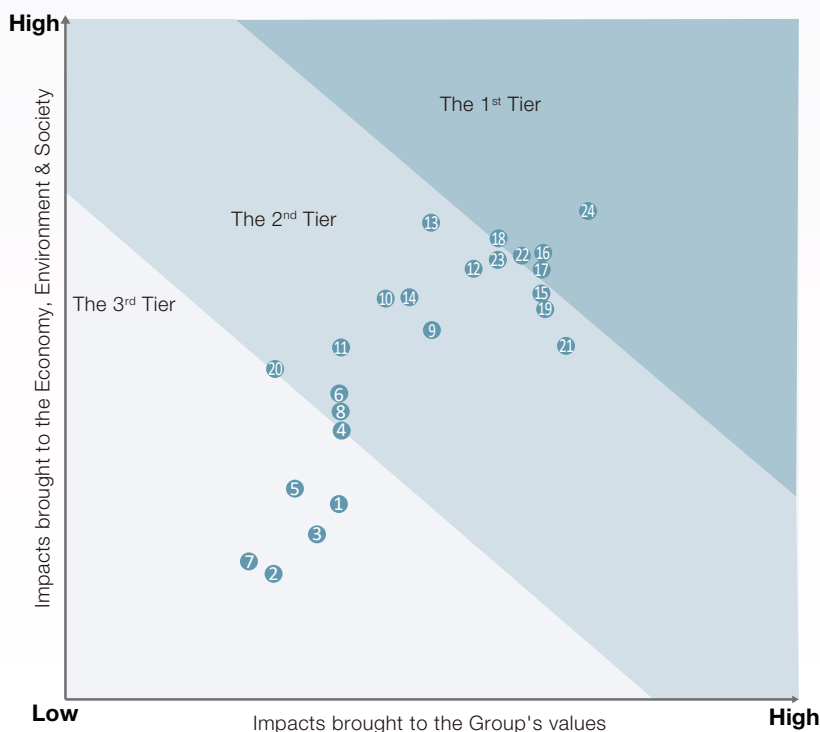
## Materiality Assessment

The Group values stakeholder input and conducts regular materiality assessments to understand their concerns regarding ESG issues. This year, we again partnered with an independent sustainability consultant, collecting 147 valid responses through questionnaires (10 for financial materiality assessments and 137 for impact materiality assessments). We then employed a systematic three-step assessment methodology to deeply analyze the significance of each ESG issue.



Through the creation of a materiality matrix, we demonstrated how 24 ESG issues impact the Group’s corporate value and our influence on different aspects of society. Based on the analysis results, we identified several key issues and incorporated them into our future development plans. These material issues not only receive focused attention and reporting but have also become important considerations in our strategy formulation and risk management.

# Environmental, Social and Governance Report



Issues	Tier	Materiality
24 Innovation and Technology	1	Material
16 Customer Engagement	1	
17 Privacy and Data Safety	1	
22 Risk Management	1	
18 Responsible Marketing and Labelling	1	
23 Intellectual Property Protection	2	Moderate
15 Product and Service Quality and Safety	2	
19 Responsible Supply Chain Management	2	
13 Occupational Health and Safety	2	
12 Training and Development	2	
21 Business Ethics and Integrity	2	
14 Labour Standard	2	
9 Employment Practices	2	
10 Employee Engagement	2	

# Environmental, Social and Governance Report

Issues	Tier	Materiality
11 Diversity and Equal Opportunities	2	Moderate
6 Materials	2	
8 Product Lifecycle Management	2	
20 Community Engagement and Investment	2	
4 Energy	3	Other
1 Air Pollutants	3	
5 Water	3	
3 Waste	3	
2 GHG Emissions	3	
7 Climate Change and Resilience	3	

Material issues	Corresponding chapters
Innovation and Technology	Commitment to Customer – Intellectual Property
Customer Engagement	Commitment to Customer – Product Responsibility
Privacy and Data Safety	Commitment to Customer – Product Responsibility
Risk management	Sustainability Strategy
Responsible marketing and labeling	Commitment to Customer – Responsible Marketing

Stakeholder perspectives form the cornerstone of the Group’s sustainable development. By deeply understanding and responding to diverse viewpoints, we make more informed and comprehensive decisions. We are committed to maintaining close stakeholder relationships through open and varied communication channels to advance sustainable development together. We believe that establishing long-term and solid partnerships with stakeholders can not only promote the healthy development of the business but also create greater value for society. Through ongoing dialogue and engagement, we continuously enhance our sustainable development strategy as we progress toward a better future.

# Environmental, Social and Governance Report

## COMMITMENT TO CUSTOMERS

As a forward-thinking enterprise, Tongda Group considers social responsibility a core value in its corporate development, continuously working to strengthen trust with partners and build a sustainable business ecosystem.

Tongda Group is committed to comprehensively improving its corporate operations, and some of its divisions have obtained SA8000:2014 social responsibility management standard certification. We emphasize product quality and safety assurance, prioritize privacy and data security management, and continuously optimize supply chain systems and business ethics standards. To ensure effective implementation of various measures, we have established a comprehensive responsibility management system with regular risk assessments and systematic reviews. By deeply integrating sustainability concepts into daily operations, we strive to protect the interests of customers and suppliers, building long-term relationships based on mutual trust.

### Product Responsibility

#### *Quality and Safety*

##### Policy of the Group and its subsidiaries

- *Material Risk Level List*
- *"Hazardous Substance Review Form"*
- *"Product Material Composition Declaration Form"*
- *"Incoming Materials RoHS Testing Plan"*
- *"Hazardous Substance Risk Assessment Form"*
- *"Supplier Hazardous Substance Risk Assessment Standards Form"*
- *"Hazardous Substance Total Waste Reduction Plan"*
- *"Product Safety Requirements Identification and Evaluation List"*
- *"Safety Performance Assessment Report"*

##### Key points

Through a quality management system, we clearly define product quality management standards covering all aspects from design and development, material receiving, manufacturing processes, shipping, and customer reception. We also establish management procedures for handling non-conforming products, thereby promoting continuous improvement in product quality while meeting customer needs.

## Policy of the Group and its subsidiaries

- *"Hazardous Substance Identification and Assessment Control Procedures"*
- *"Product Safety Management Regulations"*
- *"Regulations on Safety Production, Occupational Health and Environmental Assessment Management"*
- *"Requirements for Environmental Substance Control"*

## Key points

Standardize the control requirements for hazardous substances to ensure that hazardous substances involved in the development, procurement, and production processes comply with relevant laws, regulations, and standards, thereby reducing the environmental and safety risks of products.

## Policy of the Group and its subsidiaries

- *"Quality/HSPM/Environmental/Occupational Health and Safety Manual"*
- *"Quality Control Plan Procedure"*
- *"Product Monitoring and Measurement Control Procedure"*
- *"Non-conforming Product Management Procedure"*
- *"Corrective and Preventive Action Control Procedure"*
- *"Identification and Traceability Control Procedure"*
- *"Product Safety Management Regulations"*

## Key points

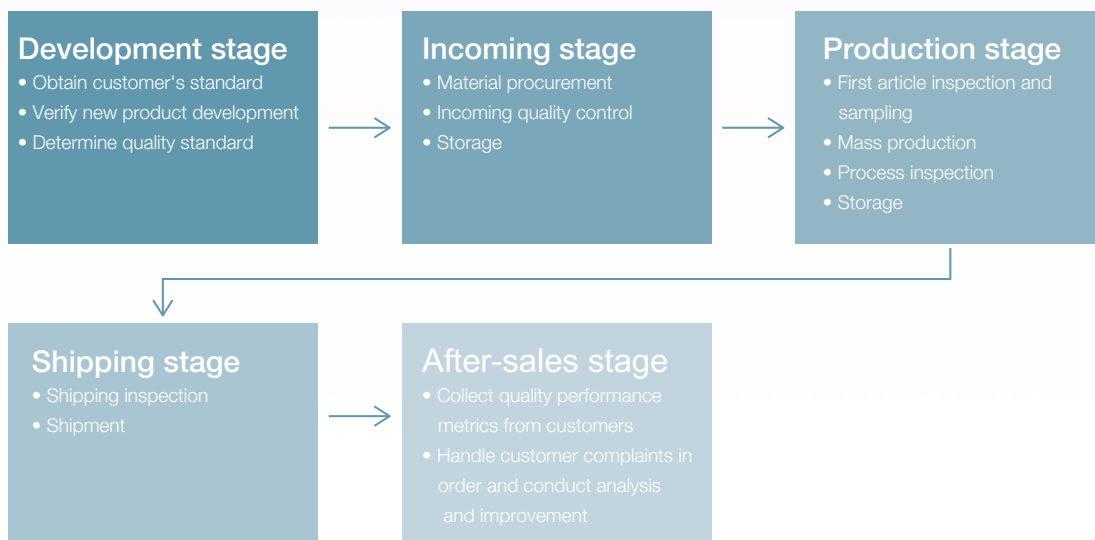
We provide handling methods and procedures for identified problematic products and defective items to ensure that only high-quality products reach the market.

Tongda Group adheres to product quality as its foundation, and optimizes production processes through technology to ensure both quality and efficiency. We have established a comprehensive quality management system to ensure total quality control throughout the product lifecycle, from design and production to after-sales service. As an industry leader, our quality management system is robust and comprehensive. Three of our divisions—Guangdong network communications division, Shishi home appliances division, and Xiamen handsets and components division—have obtained IATF 16949 certification; most divisions have obtained ISO 9001 quality management system certification; and three of our divisions—Guangdong network communications division, Shishi handsets and components division, and Xiamen handsets and components division—have also obtained QC080000 hazardous substance management certification. At the same time, the Group has substantially completed full application of the ISO14001 Environmental Management System certification and the ISO45001 Occupational Health and Safety Management System certification. These certifications not only demonstrate our pursuit of excellence in quality but also highlight our commitment to environmental protection.

# Environmental, Social and Governance Report

Our professional quality management team consistently adheres to strict quality control standards and continuously optimizes production processes to provide customers with the highest quality products and most attentive service. Through constant innovation and improvement, we strive to exceed customer expectations and set new industry benchmarks.

## FULL PRODUCT LIFECYCLE QUALITY MANAGEMENT AND CONTROL



<b>Standardized quality control</b>	<ul style="list-style-type: none"> <li>• Implement full-process product inspection to strictly examine and control product quality and ensure that the production quality is qualified</li> <li>• Carry out reliability testing during the development and mass production stages to avoid delivering poor reliability or defective products to the client</li> <li>• Continuously monitor the reliability test and review the reliability management on a quarterly basis to ensure accuracy of the experimental results</li> </ul>
<b>Closed-loop management of unqualified products</b>	<ul style="list-style-type: none"> <li>• Immediately respond and implement rectification in case of unqualified products</li> <li>• Carry out corrective and preventive measures such as tracing identification isolation repair or selection and subsequent improvement in accordance with established procedures</li> <li>• Re-inspection of batches with abnormal quality is required, and the quality of three consecutive batches will be tracked to ensure product compliance</li> </ul>

# Environmental, Social and Governance Report

The Group adheres to the management philosophy of “Compliance with regulations, environmental protection, customer satisfaction, and continuous improvement” and implements strict Hazardous Substance Free (HSF) management for product health and safety. Through an effective Hazardous Substance Process Management (HSPM) system, we ensure all products meet regulatory standards and customer expectations while striving to reduce environmental impact. We have established comprehensive mechanisms for hazardous substance identification, evaluation, and control, implementing tiered management based on risk levels to prevent environmental pollution and safety hazards from the source. Through continuous optimization of management systems, we are committed to maintaining high product safety standards and providing customers with quality and reliable products.



During the Year, the Group sold approximately 501 (2024: 336) million units, of which about 0.06% (2024: 4.00%) of products required recall due to specific internal chemical control or quality issues, with no defective products reaching the market.

## Customer Communications

### Policy of the Group and its subsidiaries

- “Operation Specification for Customer Complaint Handling”
- “Customer Satisfaction Management Procedure”

### Key points

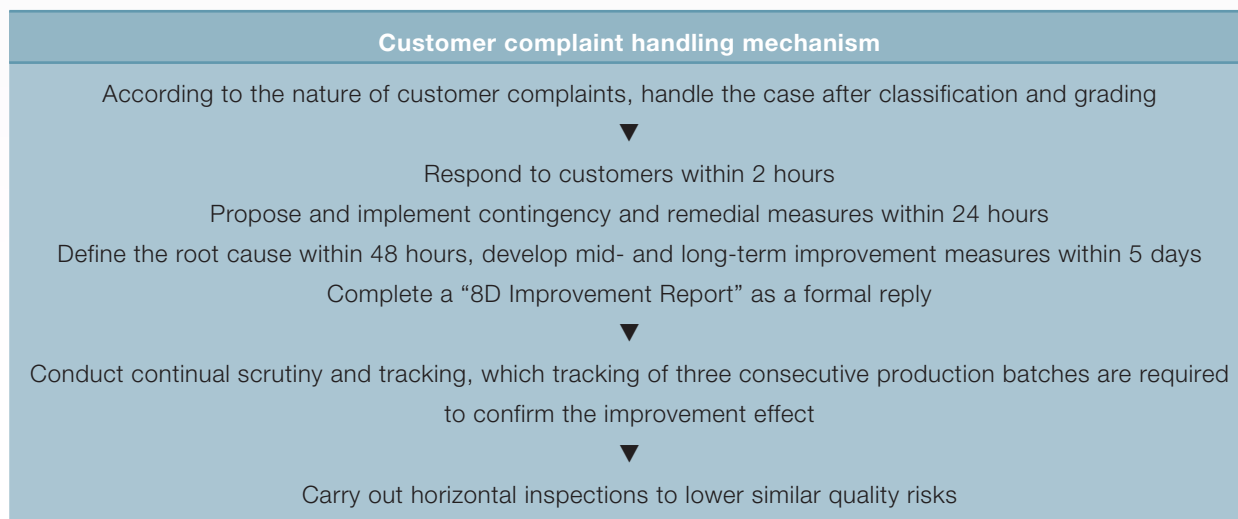
Establish a systematic customer service management system to standardize customer feedback channels and handling procedures, in order to ensure closed loop handling of product quality issues and continuously fulfill customer requirements.

Tongda Group recognizes the importance of product and service quality in maintaining customer confidence. We are committed to exceeding customer expectations and continuously improving our service standards. Through our rapid response mechanism, we promptly address product quality issues and customer feedback to ensure service efficiency and customer satisfaction.

We employ diverse customer communication channels, including regular telephone interviews, questionnaires, and customer forums, to gain deep insights into customer needs. Through systematic collection and analysis of feedback, we can accurately assess the Group’s performance and develop targeted improvement plans.

## Environmental, Social and Governance Report

To ensure service quality, we have established a comprehensive customer complaint handling mechanism. Through regular review and monitoring of the complaint handling process, we continuously optimize service standards and incorporate lessons learned into staff training to enhance overall service levels.



During this year, the Group received a total of 341 (2024: 261) customer complaints, most of them are related to product quality. The relevant departments actively addressed the issues until customers were satisfied, and all cases have been properly resolved and closed.

To continuously improve product quality and customer service, the Group has launched the following improvement projects this year:

Subsidiary division	Product and service improvement plan
<b>Shishi home appliance division</b>	<ul style="list-style-type: none"> <li>• According to the "Stakeholder Communication and Satisfaction Control Procedures", strengthen customer service management, conduct a customer return visit survey every half year on the five major aspects of delivery, quality, response, technology, and cost</li> <li>• Customer satisfaction measurement control procedures have been established to ensure that customer feedback can be collected through various channels, including annual questionnaires, media reports, and customer feedback, to analyze overall satisfaction levels and improve the Group's product quality and service standards</li> <li>• This year, we maintained active and close communication with customers and adjusted our internal processes and mechanisms based on their feedback and complaints</li> </ul>

# Environmental, Social and Governance Report

Subsidiary division	Product and service improvement plan
<b>Shishi handsets and components division</b>	<ul style="list-style-type: none"> <li>• Initiate process reengineering projects, establish a customer satisfaction management system, and clearly regulate customer satisfaction management and customer complaint handling procedures</li> <li>• Establish satisfaction scoring KPI, include the scoring of key customers in the monthly performance review</li> <li>• Designate related departments to be responsible for interfacing, in order to monitor and track customer satisfaction responses, and organize internal countermeasure improvement work</li> </ul>
<b>Xiamen handsets and components division</b>	<ul style="list-style-type: none"> <li>• Implement the Customer Complaint Management Procedure, following standard processes to develop corrective and preventive measures for customer complaints, and respond to customers using the 8D problem-solving method (i.e., 8D report) to ensure all issues are resolved in a closed-loop manner</li> <li>• Conduct customer satisfaction surveys every six months according to the Customer Satisfaction Survey and Analysis Management Procedure, and analyzing and improving any areas that do not meet the standard to drive continuous improvement in service levels</li> </ul>

## Intellectual Property Rights

### Policy of the Group and its subsidiaries

- *“Patent Management System”*
- *“Intellectual Property Protection and Control Procedures”*

### Key points

Standardize the use, maintenance and supervision of intellectual property rights through the management system, in order to effectively protect all intellectual property rights involved in the Group’s business operations and prevent infringement risks.

Tongda Group considers innovative technologies and processes its core competencies and invests significant resources to protect these valuable assets. We have established a comprehensive intellectual property management system with strict guidelines for application, maintenance, and use. Our thorough intellectual property protection strategy not only safeguards our innovations but also drives continuous technological progress and strengthens our market position.

## Environmental, Social and Governance Report

Intellectual property rights management system	
Evaluation and assessment	Novelty and search
Information file	Work filing
Confidentiality and commitment, contract-signing	Protection
Promotion and training	

The Group has a dedicated team managing intellectual property matters, with daily operations jointly overseen by the Human Resources Department and R&D Center. Through the establishment of comprehensive development plans, regular assessments, and continuous improvements, we consistently strengthen the Group’s intellectual property assets. To ensure comprehensive protection of intellectual property rights, we require all employees to strictly maintain confidentiality and strictly prohibit unauthorized disclosure of confidential information. In terms of external cooperation, we implement a rigorous contract system with clearly stipulated intellectual property protection clauses to safeguard the interests of all parties. Furthermore, we emphasize employee training and regularly organize relevant activities to enhance team awareness and vigilance regarding intellectual property protection.

During this year, the Group successfully obtained 487 (2024: 356) valid patents, including 103 (2024: 45) new patents.

### *Responsible Marketing*

The Group places high emphasis on standardized management of product identification and has specifically formulated comprehensive “Product Packaging and Design Specifications,” which details the standards for product label information content and positioning to ensure full product traceability. Regarding advertising and label content management, the Group has established “Advertising and Fair Trade Management System” to ensure all promotional content issued by the Group is accurate and compliant.

## Data Security and Privacy Management

### Policy of the Group and its subsidiaries

- *"Information Security Management Manual"*
- *"Monitoring and Measurement Control Procedure"*
- *"Trade Secret Control Procedure"*
- *"Information Classification Control Procedure"*
- *"Removable Media Control Procedure"*
- *"User Access Control Procedure"*
- *"Security Area Control Procedure"*
- *"Malicious Software Control Procedure"*
- *"Network Security Control Procedure"*
- *"Data Security Control Procedure"*
- *"Information Security Incident Control Procedure"*
- *"Customer Confidential Document Control Specifications"*
- *"Computer Room Management System"*
- *"Network Security Management System"*

### Key points

- Standardize the security measures and procedures of data and confidential information, and delegate personnel responsible for management and control, in order to prevent losses caused by information system interruption, data loss, information leakage and other accidents
- Set up management specifications on network configuration, use and information access to facilitate the safe and reliable operation of network, and hence holistically protect the confidentiality, authenticity and integrity of information

Tongda Group places great importance on Data Confidentiality, Information Integrity, Risk Control, Continuous Optimization, Full Staff Engagement, and Performance Enhancement into all aspects of its management and operations, with a professional information management center coordinating all tasks. To ensure comprehensive information security management, we have assigned dedicated personnel to each department to jointly safeguard the data security of suppliers, customers, and employees. One of the group's branches has obtained ISO27001 information security management system standard certification.

For cybersecurity, we employ comprehensive protective measures. Our robust information security management system maintains strict control over all IT facilities—from data center management to equipment maintenance, network security, and system configuration. The Information Management Center performs regular security assessments and system audits. We also implement multi-layered security controls, including access management, behavior monitoring, and network protection, ensuring our systems operate securely and reliably.

## Environmental, Social and Governance Report

Information flow management	<ul style="list-style-type: none"><li>• Implement a graded management of all types of information and set up access permissions, while establishing secure areas for key protection</li><li>• Prohibit personnel with no relevant responsibilities or business scope from viewing confidential items, and arrange for a designated officer to handle documents, as well as encrypt and backup specific confidential items</li><li>• Require personnel who come into contact with confidential information to sign a confidentiality agreement, and undergo permission approval when accessing confidential data, while keeping relevant records</li><li>• Use codes and numbers to establish internal documents of sensitive information</li></ul>
Network and information system management	<ul style="list-style-type: none"><li>• Monitor and periodically audit the data center, hardware equipment, firewalls, computer software, and network configuration</li><li>• Strengthen security by setting access control and entry and exit permissions for the data center</li><li>• Confidential data cannot be copied, transcribed, or taken out without approval</li><li>• Employees are required to change their passwords regularly, and are strictly prohibited from randomly storing confidential documents</li></ul>
Handling of information security incidents	<ul style="list-style-type: none"><li>• Regularly perform information security audits; Immediately take appropriate corrective and preventive measures when potential security hazards or information leakage are discovered, and conduct investigation and reporting afterwards</li><li>• Those who divulged or illegally obtained confidential information shall be warned or dismissed, and if necessary, shall be handed over to the judicial organization while pursuing legal responsibilities</li></ul>

In the Year, the Group did not experience any customer information leaks or cybersecurity incidents.

## Anti-corruption

### Policy of the Group and its subsidiaries

- “Integrity Construction Management System”
- “Employee Grievance Management System”
- “Employee Grievance Reception Record Form”

### Key points

Formulate clear specifications for the education, prevention, elimination, correction and handling of anti-corruption and antibribery through the establishment of probity management system, and implement internal control and monitoring mechanisms, in order to guide the Group and all employees to act with integrity, honesty and self-discipline

Tongda Group firmly believes that transparent and ethical business practices form the cornerstone of stakeholder trust and sustainable development. Founded on integrity, we strictly adhere to business ethics standards and maintain zero tolerance for misconduct—including corruption, bribery, and extortion. As a responsible corporate citizen, we are committed to establishing a robust integrity system and fostering an ethical corporate culture. Through comprehensive management structures and preventive mechanisms, we implement a systematic approach to combat corruption, ensuring our operations meet the highest ethical standards.

We believe that only by maintaining integrity in our operations can we earn the long-term trust and support of our stakeholders in a highly competitive market. To this end, we continuously optimize various management measures, strive to uphold good business ethics, and promote the healthy development of our Group.

### Internal System

The Group has established a comprehensive anti-corruption system that focuses meticulously on both internal controls and external supervision. Our internal policies clearly define our stance on integrity and set precise boundaries for business ethics and responsibilities, particularly in sensitive areas such as conflicts of interest, gift acceptance, and asset usage. Every team member—from directors to staff—must uphold the highest ethical standards, sign the “Commitment to Integrity”, and strictly follow the “Integrity and Self-discipline Regulations” and “Employee Code of Conduct”.

To ensure effective implementation, we employ multiple monitoring mechanisms. The Financial Audit Center and Human Resources Department conduct regular joint reviews and random inspections to maintain operational compliance. We emphasize Key Points position management, requiring personnel to conduct regular self-reviews and complete the “Integrity Self-assessment Form” biannually. We evaluate business ethics practices through various methods, including symposiums and questionnaire surveys. Once a problem is discovered, the relevant departments must take corrective action promptly and ensure its effectiveness.

# Environmental, Social and Governance Report

## *Publicity and Education*

Tongda Group understands that a sound integrity culture must start from within. To this end, we invest substantial resources in employee training to enhance the team's awareness of business ethics. The Human Resources Department coordinates various integrity training activities to understand the latest business ethics regulatory requirements. For key position personnel, we provide advanced training every year and verify training effectiveness through assessments. This year, the Group's 7 (2024: 3) directors and 8,080 (2024: 6,981) employees completed a total of 14 (2024: 4) hours and 30,891.5 (2024: 9,442.5) hours of anti-corruption training respectively.

Beyond regular training, we also deepen employees' understanding of ethical business practices through diverse learning methods, including specialized lectures, case studies, and interactive workshops. This comprehensive training strategy not only strengthens employees' ethical awareness but also helps establish a long-term integrity culture, laying a solid foundation for the Group's sustainable development. We firmly believe that only through continuous education and training can we ensure that the culture of integrity permeates every level of the enterprise.

## *Supplier and Field Personnel Management*

Tongda Group takes a rigorous approach to supplier relationship management and has established a comprehensive monitoring mechanism. All relevant personnel must proactively declare their relationships with customers and suppliers to ensure procurement transparency. The Group maintains zero tolerance for any form of improper benefit transfer, and will immediately terminate cooperation with suppliers found to be soliciting or accepting benefits.

To further regulate supplier behavior, the Group has implemented a comprehensive management system. Each supplier must sign the "Commitment to Anti-commercial Bribery" and explicitly pledge to comply with business ethics standards. Through various communication channels, including supplier networking events, procurement documents, and emails, we continuously convey the Group's ethical standards to suppliers and conduct regular monitoring and evaluation to ensure suppliers' operating principles align with the Group's core values.

## Reporting Mechanism

To uphold corporate integrity, the Group has established a comprehensive whistleblowing system. Any employee or stakeholder who discovers suspicious violations can report through the “Integrity Reporting Mailbox” or “Integrity Hotline”, for detailed reporting contact information, please see the chapter “Commitment to Employees – Employee Communication”. All reports are handled by designated officers appointed by the Anti-corruption Work Leadership Team, ensuring strict confidentiality of the whistleblower’s identity and protection from any form of retaliation.



Upon receiving a report, the integrity officers will conduct preliminary verification and carry out in-depth investigations as needed. Investigation results are submitted to the General Manager’s Office, which determines subsequent actions, including internal follow-up or reporting to regulatory authorities. The Group implements a strict accountability system, with disciplinary actions taken against violators based on the severity of the offense. In serious cases, employment contracts will be terminated, and if illegal activities are involved, cases will be referred to judicial authorities, demonstrating the Group’s firm commitment to ethical business practices.

During this year, the Group did not receive any business ethics reporting cases.

## Supply Chain Management

### Policy of the Group and its subsidiaries

- “Supplier Development and Management Procedure”
- “Outsourced Processing Management Procedure”
- “Supplier Assessment Management Regulations”
- “Procurement Contract Management Regulations”

### Key points

Standardize supply chain management procedures from selection, daily management to review and evaluation, to promote long-term and stable procurement operations and continuously improve supplier performance, so as to ensure effective management and control of supply chain risks.

The Group places high emphasis on the crucial role of supply chain management in corporate operations. We have established a comprehensive and systematic supply chain management mechanism to ensure transparency and efficiency in procurement processes. Through stringent supplier evaluation systems and regular performance monitoring, we maintain excellent quality in our products and services. We regard suppliers as strategic partners and are committed to building long-term relationships based on mutual trust and benefit. Through frequent two-way communication and close collaboration, we jointly pursue the concept of sustainable development and work together to create greater business value. This synergistic cooperation not only enhances operational efficiency but also lays a solid foundation for the Group’s long-term development.

# Environmental, Social and Governance Report

## Supplier Management

Our supplier management strategy emphasizes comprehensive evaluation and continuous monitoring. Through rigorous management procedures, we maintain efficient procurement operations while ensuring suppliers can align with the Group's sustainable development guidelines.

Supplier sourcing
<ul style="list-style-type: none"><li>• Conduct source research based on internal demand</li><li>• Carry out on-site inspection to further evaluate supplier's production equipment, supply capacity, quality and technology, environmental management, etc., and complete the "Supplier Evaluation Report" and "Supplier Social Responsibility Questionnaire" for approval</li><li>• After signing contracts and relevant social responsibility agreements, approved suppliers will be included in the "Qualified Supplier List"</li></ul>
▼
Supplier cooperation
<ul style="list-style-type: none"><li>• Carry out sample trial production and verification before confirming the purchase order</li><li>• Implement delivery control and quality control, to regularly inspect and monitor supplier's production progress, quality, and output performance</li><li>• Provide guidance and conduct rectification for suppliers with defects, and follow up and confirm the improvement afterwards</li></ul>
▼
Supplier evaluation
<ul style="list-style-type: none"><li>• Conduct quarterly and annual supplier evaluation, concerning quality, delivery, hazardous substances, environmental protection and services, etc., to update the list</li><li>• Carry out risk classification and control based on the evaluation results, and assign designated personnel to conduct on-site inspection for suppliers with medium and high risks</li><li>• Delist suppliers with continuously unsatisfactory evaluation performance, and blacklist suppliers who committed serious violation against the agreements</li></ul>

In addition to the above-mentioned routine procurement practices, the Group places great importance on ethical business conduct and prioritizes suppliers that meet our ESG requirements. We encourage all business and operating units to select environmentally and socially responsible suppliers, assess the environmental and social impact of suppliers during the supplier selection or evaluation process, and all other things being equal, prioritize suppliers that adopt more comprehensive ESG practices as a practice for implementing ESG procurement.

During this year, the Group engaged a total of 2,805 (2024: 2,479) suppliers to provide materials and services, with over 99.00% (2024: 99.00%) from China, all of whom complied with relevant supplier practices.

## Environmental, Social and Governance Report

By type classification, the Group has 251 (2024: 247) service providers, 984 (2024: 745) hardware providers, and 1,570 (2024: 1,083) other suppliers. The regional classification is as follows:

		Percentage of Suppliers with Procurement Practices Implemented	Percentage of Suppliers with ESG Practices Implemented
China	2,779	98.24%	89.64%
Northern China	28	96.43%	92.86%
Northeast China	1	100.00%	100.00%
Eastern China	1,396	99.28%	93.77%
Central China	40	100.00%	87.50%
Southern China	1,301	97.08%	85.24%
Southwest China	12	100.00%	91.67%
Northwest China	1	100.00%	0.00%
Overseas	26	69.23%	69.23%

### *Sustainable Procurement*

We firmly believe that sustainable development is a key element of supply chain management. To this end, the Group has specifically formulated comprehensive supplier environmental and social risk management regulations, dedicated to identifying and mitigating potential risks. Through the implementation of the “Supplier Corporate Social Responsibility Agreement”, we have clearly established specific requirements for suppliers in areas such as labour rights, occupational safety, environmental protection, and business ethics. To ensure supply chain sustainability, we prioritize suppliers who have obtained relevant quality, environmental, and social responsibility management system certifications, thereby promoting the entire supply chain towards a more sustainable direction.

# Environmental, Social and Governance Report

Managing environmental risks in the supply chain	
<i>"Environmental Questionnaire for Related Parties"</i>	Carry out environmental audits on suppliers, regarding environmental management system, environmental monitoring reports, regular internal audits, etc, to ensure that its environmental protection measures are effectively implemented
<i>"Supplier Corporate Social Responsibility Agreement"</i>	Provides guidance on suppliers' fulfillment of social responsibilities, ensuring that supplier behavior meets the requirements of universal values
<i>"Guarantee for Environmental Management of Substances"</i>	Conduct hierarchical control of high-risk materials and regular sample testing, and require suppliers to submit third-party testing report, to ensure product safety and environmental friendliness
<i>"Commitment for Not Using Poisonous and Hazardous Substances"</i>	Guarantee HSF suppliers have fulfilled requirements of related laws and regulations
<i>"Tongda Environmental Substance Control Requirements"</i>	
<i>"Notice to Cooperative Suppliers Regarding Quality, Environmental, and Occupational Health and Safety Management"</i>	

## Managing social and governance risks in the supply chain

<i>"Commitment to Integrity"</i>	Require suppliers to abide by fairness, integrity, and oppose to bribery and unfair competition
<i>"Human Resources Supplier Management Regulations"</i>	Protects the rights and interests of recruitment agency employees
<i>"Supplier Corporate Social Responsibility Agreement"</i>	Regulates specific requirements for suppliers in fulfilling social responsibilities, clearly establishing concrete requirements for suppliers regarding labour rights, occupational safety, environmental protection, and business ethics
<i>"Supplier Development and Management Procedure"</i>	Provides rules and framework for supplier admission, cooperation, and management

The Group is committed to building a sustainable supply chain management system. We regularly evaluate supplier performance while fostering long-term partnerships to maintain environmental and social responsibility standards throughout the supply chain. Through ongoing communication and collaboration, we encourage suppliers to embrace sustainable practices and implement environmental protection and social responsibility in their operations. This comprehensive approach helps create a supply chain system that balances economic benefits, environmental protection, and social contributions.

In addition, the Group has been actively building a green supply chain, and has therefore formulated various policies to promote the priority use of environmentally friendly products and services within the Group.

### Policy of the Group and its subsidiaries

- *"Supplier Development and Management Procedure"*
- *"Tongda Environmental Substance Control Requirements"*
- *"Declaration of Non-use of Prohibited Substances"*
- *"Stakeholder Organization Environmental Survey Form"*
- *"Notice to Cooperative Suppliers Regarding Quality, Environmental, and Occupational Health and Safety Management"*

### Key points

Systematically select and manage suppliers to ensure emphasis on green and environmental performance, using administrative and management measures to promote the adoption of green products and services.

The Group firmly believes that achieving true sustainable development requires close collaboration with suppliers. We value each supplier's progress and provide essential support and guidance to help them enhance their operating models and reach higher sustainability standards. This mutually beneficial partnership not only helps improve the overall quality of the supply chain but also sets a good example for the industry.

# Environmental, Social and Governance Report

## COMMITMENT TO EMPLOYEES

Tongda Group has always focused on talent development and employee care, and is committed to building a professional, excellent, diverse and inclusive team. We firmly believe that the sustainable development of our Group relies on the dedication and contributions of every employee. Therefore, we place great emphasis on the professional development and well-being of our employees, creating a fair, safe, and vibrant working environment through a comprehensive talent management system and an effective communication mechanism.

We make significant investments in talent development to support our employees' professional growth and skills. Our comprehensive training programs and clear career paths enable employees to develop personally while contributing to the Group's sustainable growth. We believe that lasting success comes from the mutual advancement of both our employees and the organization.

### Occupational Health and Safety

Management provisions for occupational health and safety	
<b>Policy of the Group and its subsidiaries</b> <ul style="list-style-type: none"><li>• <i>“Occupational Disease Medical Examination System”</i></li><li>• <i>“Hazard Identification and Evaluation Control Procedure”</i></li><li>• <i>“Accident Reporting, Investigation and Handling Procedure”</i></li><li>• <i>“Hazardous Chemicals Control Procedure”</i></li><li>• <i>“Emergency Preparedness and Response Control Procedure”</i></li><li>• <i>“Work Safety Standardization Construction Procedure”</i></li><li>• <i>“Labour Protection Equipment Management Regulations”</i></li><li>• <i>“Exhaust Gas Management System”</i></li><li>• <i>“Hazardous Waste Management System”</i></li><li>• <i>“Underground Water Tank Management System”</i></li><li>• <i>“Work Safety, Occupational Health and Environmental Assessment Management Measures”</i></li></ul>	<b>Key points</b> <p>Establish an occupational health and safety management system, standardize the Group's production safety management system, implement various safety control and supervision management policies through related targets and indicator management programs, to effectively prevent, control and eliminate occupational hazards, and protect employee safety and health</p> <p>Develop management regulations for safety protection equipment and facilities, production safety warnings, occupational health examinations, accident handling and other safety protection measures, clearly guide safety production work, and strengthen the protection of employee health and safety</p>

## Management provisions for occupational health and safety (Continued)

- “Work Safety Management Organization System”
- “Work Safety Responsibility System”
- “Work Safety Fund Extraction and Usage System”
- “Work Safety Information Technology Construction System”
- “Workshop Safety Production Management System”
- “Hazardous Operations Management System”
- “Occupational Health Management System”
- “Hazard Investigation and Management System”
- “Safety Production Situation Reporting System”
- “Safety Signage Management System”
- “Safety Production Risk Classification and Control Assessment Management System”

## Management provisions for safety training and education

### Policy of the Group and its subsidiaries

Shishi home appliances division

- “Safety Training Education Control Procedure”
- “Safety Education Training Assessment System”

Shishi handsets and components division

- “Safety Education Training

Xiamen smart tech division

- “Safety Education Training Standards”

Guangdong network communications division

- “Safety Education Training Standards”

### Key points

Through standardizing safety training classification, content, requirements and assessments, establish management systems to comprehensively enhance employees’ safety awareness and safety quality, and eliminate safety incidents or behaviors

## Management provisions for safety protection

### Policy of the Group and its subsidiaries

- *“Occupational Disease Medical Examination System”*
- *“Hazard Identification and Evaluation Control Procedure”*
- *“Accident Reporting, Investigation and Handling Procedure”*
- *“Hazardous Chemicals Control Procedure”*
- *“Emergency Preparedness and Response Control Procedure”*
- *“Work Safety Standardization Construction Procedure”*
- *“Labour Protection Equipment Management Regulations”*
- *“Exhaust Gas Management System”*
- *“Hazardous Waste Management System”*
- *“Noise Management System”*
- *“Underground Water Tank Management System”*
- *“Work Safety, Occupational Health and Environmental Assessment Management Measures”*
- *“Work Safety Management Organization System”*
- *“Work Safety Responsibility System”*
- *“Work Safety Fund Extraction and Usage System”*
- *“Work Safety Information Technology Construction System”*
- *“Workshop Safety Production Management System”*
- *“Hazardous Operations Management System”*
- *“Occupational Health Management System”*
- *“Hidden Danger Investigation and Control System”*
- *“Work Safety Reporting System”*
- *“Safety Signs Management System”*
- *“Work Safety Risk Classification Control and Assessment Management System”*

### Key points

Establish clear regulations to comprehensively identify and assess various occupational health and safety hazards, promote the implementation of safety risk control measures, prevent risks in all aspects, thereby reducing and eliminating occupational health and safety hazards

## Environmental, Social and Governance Report

The Group considers occupational safety and health one of its primary responsibilities. We adhere to the occupational health and safety management principle of “Safety First, Prevention as Priority” and are committed to creating a healthy and safe work environment for our employees. We believe that employees can only reach their full potential in a safe and secure workplace.

### *Management System*

We ensure employees work in a safe environment through systematic management approaches and rigorous implementation standards. Our Safety Production Committee strictly monitors the implementation of various measures and continuously evaluates and improves occupational safety and health performance. Additionally, the Safety Production Committee regularly reviews the effectiveness of the management system to ensure proper implementation of all safety measures. These efforts have enabled us to meet international standards in occupational health and safety management and earn ISO45001:2018 certification.

### *Risk Assessment*

The Group emphasizes occupational safety risk management by conducting yearly comprehensive internal hazard identification and assessments. We enhance our risk response capabilities through comprehensive training programs, monitoring mechanisms, emergency response plans, and protective measures. To ensure workplace safety, we partner with professional occupational health testing institutions for regular hazard evaluation and testing. These include annual assessments and thorough evaluations every three years, helping prevent and control occupational diseases.

For daily management, we follow a strict 5S system with five elements—“Sorting”, “Straightening”, “Sweeping”, “Standardizing”, and “Sustaining”. Regular weekly safety inspections and daily patrols help us quickly identify and address potential hazards, maintaining a safe and clean workplace. This ongoing monitoring helps us uphold high occupational safety standards, creating an ideal work environment for our employees.

# Environmental, Social and Governance Report

## Facility Equipment

<p><b>Safety production protection</b></p>	<ul style="list-style-type: none"> <li>• When undertaking new construction, renovation, or expansion projects, the “three simultaneous” principle shall be implemented, namely, the design, construction, and commissioning of occupational safety and health facilities and the main project shall be carried out simultaneously</li> <li>• Prioritize the adoption of new technologies, techniques and materials that are conducive to the prevention of occupational diseases and the protection of employees’ health</li> <li>• Formulate safety guidelines for workplaces and equipment, electrical safety, flammable and explosive materials, elevators, fire work, fire safety, etc.</li> </ul>
<p><b>Safety protection facilities and personal protective equipment</b></p>	<ul style="list-style-type: none"> <li>• Distribute up-to-standard personal protective equipment to employees</li> <li>• Regularly inspect protective facilities and labour protection equipment for timely repair and renewal</li> </ul>
<p><b>Safety label and occupational disease hazard warning logo</b></p>	<ul style="list-style-type: none"> <li>• Set up corresponding safety notification cards and reminders of protective equipment at the prominent location of places or facilities with flammable, explosive, toxic and harmful hazards</li> <li>• Set up fire safety signs, including public fire-fighting facilities, evacuation routes, safety exits</li> <li>• Incorporate the management of safety labels and occupational disease hazard warning logos into daily safety inspections</li> </ul>

## Health Check

We deeply understand the importance of occupational health to our employees, as good health is the cornerstone of maintaining work efficiency and quality of life. To this end, the Group has established a comprehensive occupational health examination system that covers all stages of an employee’s career. From pre-employment health assessments to regular check-ups during employment and health records upon departure, we conduct detailed follow-ups and documentation.

To effectively monitor and safeguard employees’ health conditions, we have established a comprehensive personal health record system. This not only facilitates tracking each employee’s health changes but also helps identify potential health risks early. When any occupational health issues are discovered, we immediately take appropriate measures, including timely job adjustments and providing comprehensive medical support and rehabilitation assistance, ensuring employees receive the best possible care.

### *Safety Training*

The Group places great emphasis on employee safety training. We carefully develop comprehensive annual safety training plans and ensure all employees master essential safety knowledge and skills through regular assessments and evaluations. We provide targeted training for employees in different positions: new employees must complete three levels of safety production training, including factory level, second level, team level training; special operations personnel must undergo specialized training and assessments to obtain corresponding qualification certificates; additionally, all employees must participate in quarterly on-the-job safety training to continuously enhance safety awareness and professional skills. To ensure workplace safety, no employee is permitted to perform work duties before completing relevant safety training and passing the assessment.

### *Incident Handling*

We maintain a comprehensive incident response system with first aid facilities, emergency rescue teams, and voluntary fire brigades to ensure swift responses to emergencies. To strengthen our response capabilities, we conduct regular emergency evacuation drills and fire safety training, helping employees master emergency procedures and develop strong crisis awareness.

When an occupational health and safety accident occurs, we strictly follow established reporting protocols and immediately deploy emergency rescue measures. Following any incident, we conduct thorough investigations to analyze root causes and develop targeted improvement plans to prevent recurrence.

The Group is dedicated to improving employees' occupational safety and mental health, and has launched the following enhancement initiatives across divisions this year:

# Environmental, Social and Governance Report

Subsidiary division	Occupational health and safety improvement plan
<b>Shishi home appliance division</b>	<ul style="list-style-type: none"> <li>Established the “Environmental and Occupational Health &amp; Safety Performance Monitoring and Measurement Control Procedures” this year to develop effective monitoring and management systems through clear guidelines for areas with significant occupational health risks, thus reducing workplace safety hazards</li> <li>Provide annual occupational health checkups for employees and continuously monitor their health status</li> <li>Organize monthly training sessions on the proper use of personal protective equipment (PPE) to enhance employees’ safety awareness</li> <li>Provide recreational facilities such as basketball courts and fitness areas to support employees’ relaxation and mental well-being during their leisure time</li> </ul>
<b>Shishi handsets and components division</b>	<ul style="list-style-type: none"> <li>Strictly implement the occupational health monitoring system, providing employees in positions involving occupational hazards with full-cycle physical examinations throughout their pre-employment, on-the-job, and post-employment periods. When employees are found to be unfit for their jobs, they are promptly reassigned, and their health status is monitored. For employees diagnosed with occupational diseases, the legal process for work-related injury is initiated in accordance with the law, effectively safeguarding the occupational safety and health of employees</li> </ul>
<b>Xiamen handsets and components division</b>	<ul style="list-style-type: none"> <li>The Safety Office has held a Safety Committee meeting every month and conducted workshop safety inspections to ensure the safety of all machinery and protective equipment</li> <li>Conduct regular workplace status assessments to ensure continued compliance with safety standards</li> <li>The EHS department sets a weekly safety awareness theme, organizes Group-wide training sessions, and strengthens safety awareness</li> <li>Provide all employees with necessary personal protective equipment</li> <li>Arrange occupational health checkups for employees in relevant positions to prevent occupational risks in a timely manner</li> </ul>

# Environmental, Social and Governance Report

This year, the Group experienced 47 (2024: 37) industrial injuries, primarily caused by workplace accidents. We provided immediate medical treatment and support to injured employees, along with compensation as required by law. To prevent similar incidents, we have intensified our employee training programs. The Group recorded 0 (2024: 0, 2023: 1) work-related fatalities during this period.

Health & safety	2025	2024	2023
Number of work-related injuries	47	37	54
Rate of work-related injuries	0.50%	0.41%	0.37%
Lost days of work-related injuries	1,351	1,465	2,192
Number of work-related fatalities	–	–	1
Rate of work-related fatalities	–	–	0.01%

## Employment Management

### Talents Recruitment and Retention

Aspect	Policy of the Group and its subsidiaries	Key points
<b>Management provisions for recruitment</b>	<ul style="list-style-type: none"> <li>• “Employee Handbook”</li> <li>• “Recruitment Management System”</li> <li>• “Labour Contract Management System”</li> <li>• “Resignation Management System”</li> <li>• “Discrimination and Disciplinary Measures Management System”</li> <li>• “Forced or Compulsory Labour Management System”</li> </ul>	Use standardized and programmed recruitment processes to ensure the construction of the Group’s employee team and promote reasonable and efficient employment management
<b>Management provisions for remuneration and benefits</b>	<ul style="list-style-type: none"> <li>• “Tongda Group Employee Handbook”</li> <li>• “Rewards and Penalties Management System”</li> <li>• “Occupational Disease Medical Examination System”</li> </ul>	Establish a management system for employees’ remuneration, performance, rewards and punishments, to ensure the incentive and protection of salary and benefits with reasonable standards, in order to promote employee interests and corporate benefits

## Environmental, Social and Governance Report

Aspect	Policy of the Group and its subsidiaries	Key points
<b>Management provisions for attendance and holiday</b>	<ul style="list-style-type: none"> <li>• “Tongda Group Employee Handbook”</li> <li>• “Attendance and Leave Management System”</li> </ul>	Clearly regulate the working hours, overtime work and vacations of employees to strengthen attendance management and promote the balance of working and resting, so as to improve work efficiency in an orderly manner while safeguarding the legitimate rights and interests of employees

To support the ongoing development of the group, we are committed to improving our human resources management system and have established a comprehensive employment framework. This system not only covers basic recruitment, promotions, and salary management but also includes important areas such as work hours arrangements, leave policies, and equal opportunity policies, aiming to provide employees with a fair and well-structured working environment.

In terms of talent recruitment, we adopt a multi-pronged approach, conduct talent selection through a standardized recruitment process, emphasize providing fair competition opportunities for internal and external candidates, and make hiring decisions based on their abilities and job suitability. On one hand, we explore the potential of existing employees through internal promotion mechanisms, and on the other hand, we actively expand external recruitment channels to attract new talent. We uphold a fair and transparent recruitment principle, ensuring that every applicant has an equal opportunity. During the selection process, we use rigorous interview procedures and background checks to choose the most suitable candidates. At the same time, we place great importance on the formalization of employment relationships, clearly stating job requirements and related benefits during recruitment, and protecting the rights and interests of both parties through the signing of formal labor contracts.

## Remuneration and Benefits

The Group values every employee's contribution and believes quality working conditions and comprehensive benefits are essential for unlocking employee potential. We continuously enhance our compensation and benefits system to stay competitive while fostering positive employer-employee relationships. Through regular reviews and improvements to our compensation and performance systems, we ensure employee rights are protected and maintain a fair, equitable workplace.

### Remuneration and benefits

- Salaries are distributed based on the principle of “pay according to work,” taking into account factors such as job skills, position, working hours, and performance. Additional allowances include living allowances, high-temperature allowances, seniority allowances, and statutory benefits
- Salaries are adjusted regularly based on comprehensive internal and external evaluations to attract and retain top talent
- Employee performance is assessed monthly and annually, with bonuses awarded as a result

### Attendance and vacations

- Control working and resting, and manage and monitor employee attendance through clock-in system
- Implement a strict overtime working approval system and provide overtime compensation
- Employees are entitled to national statutory holidays, paid annual leave, marriage leave, funeral leave, maternity leave, work injury leave, sick leave, paternity leave, etc.

# Environmental, Social and Governance Report

## Employee Engagement

The Group is dedicated to fostering a harmonious work environment. We believe that maintaining work-life balance is essential for both productivity and team stability. To achieve this, we offer competitive benefits and organize diverse employee activities that strengthen team cohesion.

### Employee activities

The Group highly values employees' physical and mental well-being and team cohesion, regularly organizing diverse employee activities while striving to create a positive and uplifting corporate culture. We firmly believe that through organizing various activities, we can not only strengthen relationships between employees but also enhance work efficiency and team collaboration capabilities

- We regularly organize a variety of festive and themed events, such as a flower arrangement celebration for International Women's Day, children's activities for Dragon Boat Festival, Mid-Autumn Festival mooncake and welfare distribution, as well as employee birthday parties and forums to create a warm and harmonious working atmosphere. At the same time, we care about our employees' families, offering summer childcare programs for their children and holding a Children's Day family activity to alleviate their worries



- Hold an annual AI skills application competition to stimulate employees' innovative thinking and improve their skills



- In addition, we arrange employee health and wellness programs such as employee retreats to help employees relieve stress and relax

Employee welfare	
<p>We firmly believe that quality employee benefits are key to retaining talent, and therefore strive to provide comprehensive and thoughtful care and welfare programs</p>	<ul style="list-style-type: none"> <li>• Launching the “Summer Cooldown” initiative during hot summer days, providing employees with various heat relief items and cold drinks, including cooling beverages, heat prevention packages, and ice treats, enabling employees to maintain comfortable working conditions in hot weather</li> <li>• Distributing festive gift packages during traditional holidays such as Mid-Autumn Festival and Chinese New Year, containing seasonal foods, beverages, and premium gifts to share the holiday joy with employees</li> </ul>

As of December 31, 2025, the Group had 9,401 (2024: 9,518) employees and 3,142 (2024: 4,102) other employees within the scope of this Report. The scope of this Report is determined based on the significance and impact of ESG factors on the Group’s business segments under its operational control, and differs from the scope of this year’s Group Annual Report. Please refer to “Key Performance Indicators Overview” for relevant employment data.

*Employee Diversity and Equal Opportunities*

Policy of the Group and its subsidiaries	Key points
<ul style="list-style-type: none"> <li>• “Tongda Group Employee Handbook”</li> <li>• “Recruitment Management System”</li> <li>• “Discrimination and Disciplinary Measures Management System”</li> <li>• “Female Employee Labour Management System”</li> <li>• “Forced or Compulsory Labour Management System”</li> </ul>	<p>Based on the principle of fairness and rationality, clearly formulate management specifications and procedures for equal opportunities, diversity, and antidiscrimination, in order to create a working environment of mutual respect, harmony, equality and diversity</p>

The Group upholds the core values of “respecting human rights and equality for all” and is committed to creating a fair, inclusive, and harmonious workplace. We have established a comprehensive employment system that ensures equal opportunities for all employees in recruitment, hiring, compensation, training, and career advancement. The Group strictly adheres to the principle of equal pay for equal work, basing all employment decisions on professional capabilities, work performance, and development potential. We do not tolerate any form of discrimination in our decision-making process.

## Environmental, Social and Governance Report

To protect employee rights and foster an inclusive culture, we emphasize workplace diversity. The Group believes each employee is unique and valuable—regardless of race, social class, nationality, religious beliefs, gender, age, sexual orientation, or other backgrounds. Everyone can find a sense of belonging and opportunities for development here. We promote cross-cultural exchange through regular diversity workshops, cultural activities, and team-building events to enhance mutual understanding, respect, and appreciation among teams.

The Group has zero tolerance for harassment, discrimination, or misconduct in the workplace. We maintain comprehensive grievance mechanisms and reporting channels which ensure that every employee can voice opinions or complaints in a safe and protected environment. All complaints will be handled confidentially, and management promises to immediately launch a fair and comprehensive investigation upon receiving any relevant complaint and to take appropriate follow-up actions. We regularly review our policies and procedures to ensure continuous improvement of the work environment. These measures help us maintain a safe, harmonious, and respectful workplace where every employee can develop confidently and reach their full potential.

### Accessible workplace

We actively create a barrier-free work environment, providing comprehensive facilities and support for employees with disabilities. Each regional division implements relevant measures to ensure every employee can excel in a comfortable and safe environment

- Providing comprehensive barrier-free facilities and workplace accommodations for employees with disabilities, including customized workstations, accessible pathways, and sanitary facilities
- Regularly organizing inclusion activities and workshops to promote mutual understanding and support among employees
- Proactively offering employment opportunities to people with physical and mental disabilities, and providing specialized vocational training programs

### Ethnic unity

We have consistently led by example and actively implemented various measures to promote ethnic integration and create a harmonious working environment

- Operating multicultural dining facilities that serve diverse ethnic cuisines while honoring the dietary customs and cultural traditions of different ethnic groups
- Hosting regular cross-ethnic cultural exchanges, including festivals and holiday celebrations, to build understanding between employees of different backgrounds
- Maintaining dedicated communication channels and support groups to understand and address the unique needs of ethnic minority employees

## Gender equality

We recognize the importance of a gender-equal workplace and are committed to creating a fair and inclusive work environment for all employees. We pay special attention to the needs and rights of female employees through comprehensive policies and measures

- Strictly adhering to fair recruitment and compensation principles to ensure female employees receive equal treatment and reasonable protection at all stages (including pregnancy, maternity, and nursing periods)
- Providing appropriate work arrangements for female employees:
  - o Adjusting work intensity during special periods (such as menstruation, pregnancy)
  - o Flexible working hours arrangement, especially for nursing employees
- Establishing comprehensive supporting facilities:
  - o Setting up dedicated facilities such as nursery rooms and nursing rooms to provide childcare services, supporting working mothers

## Development and Training

### Management provisions for personnel change

#### Policy of the Group and its subsidiaries

- *“Tongda Group Employee Handbook”*
- *“Personnel Transfer Management System”*
- *“Employee Probation Assessment Management System”*

#### Key points

Establish a reasonable employment management system to ensure the orderly processing of promotion, internal transfer and resignation, so as to promote the sound development of the Group’s employment management

### Management provisions for employee training

#### Policy of the Group and its subsidiaries

- *“Key Position Management System”*
- *“External Training Management System”*
- *“Internal Instructor Management System”*
- *“Training Management System”*

#### Key points

Bolster the work and management capabilities of employees at all levels and improve their knowledge, skills and attitudes through the formulation of training management specifications, in order to improve work efficiency and performance

# Environmental, Social and Governance Report

## *Career Development*

The Group is committed to providing employees with broad career development prospects. We have established a comprehensive job allocation management system, respecting employees' individual development aspirations while adhering to the principles of fairness and impartiality in personnel arrangements. By strengthening the internal talent sharing mechanism, we not only support the Group's sustainable development but also create a platform for employees to realize their career ideals.

We offer three distinct career paths: management, technical, and administrative. When making job transfers, we comprehensively consider business development needs, staffing levels, and factors such as employees' training experience, personal abilities, work performance, and individual preferences. Through open dialogue with employees, we facilitate both promotions and lateral moves to help each person find their optimal career path. To ensure the quality of talent selection, all job transfers have a probation period, during which employees must go through training, trials, and assessments. We have also established a flexible promotion system, including regular annual and quarterly promotion evaluations, as well as ad hoc promotions in special circumstances.

## *Training Management*

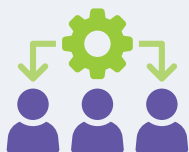
Tongda Group firmly believes that employees are the Group's most valuable asset and therefore invests substantial resources in talent development. We have established a comprehensive training system aimed at helping employees achieve personal growth while promoting the continuous progress of the Group. Through a systematic training approach, we provide employees with an ideal platform for professional development.

The training system spans key areas like quality management, professional skills, environmental safety, and leadership development. Through tailored programs, we give every employee opportunities to strengthen their workplace capabilities. This comprehensive approach enhances both professional excellence and the Group's sustainable growth.

## Environmental, Social and Governance Report

Types of training	Training activities	Target audience	Focus
<b>Internal training</b>	New Employee and Pre-job Training	New employees	<ul style="list-style-type: none"> <li>Including general knowledge, basic job knowledge training, aimed at letting new employees understand the Group's policies and requirements, mastering the necessary work skills and knowledge. After completing training and passing the assessment, new employees can formally start their jobs</li> </ul>
	On-the-job Training	Existing employees	<ul style="list-style-type: none"> <li>Including job level, hierarchy level training, aimed at improving the professional skills and qualities of on-the-job employees, assisting them in fulfilling their job responsibilities, and promoting potential development</li> </ul>
<b>External training</b>	Other positions	Non-specialized practitioners	<ul style="list-style-type: none"> <li>To encourage continuous learning, support employees to participate in external training and bear the cost of training for them, in order to introduce excellent management experience and advanced technology from outside, improve individual professional ability, and the entire group's management and technical level</li> </ul>
	Position for special operation	Specialized practitioners	

## Major On-the-job Training Categories



### Management techniques

Production, human resources, finance, sales, procurement and other management



### Professional techniques

Production and process, equipment maintenance and repair, network information, Group-related system expertise, special expertise and other technologies



### Environmental protection & safety

Environmental protection, recognition of important environmental factors, identification and prevention of hazards, unacceptable risks, Occupational Health & Safety, major equipment energy consumption, etc.



### Quality management

Quality control, material input, process, final product inspection methods, etc.

To ensure effective and continuously improving training programs, the Group maintains a rigorous management system. Each subsidiary's Human Resource department prepares detailed annual reports evaluating training effectiveness. Using these insights along with our enterprise development needs, we design the following year's training plan to deliver the most relevant content to employees.

Throughout training, we use comprehensive evaluations to verify that employees master all required skills. Those who need additional support receive extra learning resources and opportunities for reassessment. Human Resources oversees the entire process and maintains detailed records to ensure proper implementation of all training programs.

This year, the Group delivered the following training initiatives to support employee development:

## Subsidiary division employee training programme

### Shishi home appliances division

- Adhering to the spirit of “pursuing knowledge and passing on the torch”, we have established a systematic employee training system, covering new employee onboarding guidance and continuous on-the-job development programs to ensure that employee capabilities grow in tandem with the Group’s development. We believe this system will effectively convey the Group’s philosophy, knowledge, and culture, providing the most valuable support for the Group’s development

### Shishi handsets and components division

- Provide all new employees with systematic pre-job training, covering three levels of safety education, rules and regulations, and corporate social responsibility awareness, ensuring their rapid integration and laying a solid foundation for their positions.
- Establish a continuous employee skills enhancement mechanism, regularly conducting on-the-job training including team leader management, metrology professional skills, safety officer qualification review, and specialized certifications such as the “Fire Control Certificate.” Through internal trainer appointments and cooperation with external organizations, systematically support the career growth and skills development of employees at all levels

### Xiamen handsets and components division

- Cooperated with sub-district and judicial offices to conduct training after understanding internal needs for skill improvement
- Carried out capacity enhancement training for managers, R&D employees, reserve talents and other key personnel to improve the competency of employees in key positions
- Built a corporate sharing platform to regularly share knowledge, skills and other information

## Practical assessment of vocational skills level



# Environmental, Social and Governance Report

## Special equipment safety operation training



## Employee onboarding and on-the-job training



## Safety operation and measurement management training



During the year, the Group completed an employee training rate of 181.67% (2024: 113.42%)<sup>3</sup>, with an average of 6.97 (2024: 5.82) training hours per person. Please refer to the “Key Performance Indicators Overview” for relevant training data.

<sup>3</sup> Employee training statistics include both current and former employees of the Group during the current year. The percentage of employees trained = (Number of employees trained in that category/Total number of employees in that category at the end of the reporting period) x 100%.

## Employment Standard

Management provisions for labour standards	
<p><b>Policy of the Group and its subsidiaries</b></p> <ul style="list-style-type: none"> <li>• “Tongda Group Employee Handbook”</li> <li>• “Recruitment Management System”</li> <li>• “Discrimination and Disciplinary Measures Management System”</li> <li>• “Female Employee Labour Management System”</li> <li>• “Forced or Compulsory Labour Management System”</li> </ul>	<p><b>Key points</b></p> <p>Prevent the employment of child labour and the occurrence of forced labour by establishing a clear recruitment system and labour management procedures</p>
Management provisions for resignation	
<p><b>Policy of the Group and its subsidiaries</b></p> <ul style="list-style-type: none"> <li>• “Tongda Group Employee Handbook”</li> <li>• “Recruitment Management System”</li> <li>• “Labour Contract Management System”</li> <li>• “Resignation Management System”</li> </ul>	<p><b>Key points</b></p> <p>Establish a reasonable employment management system to ensure the orderly processing of resignation, so as to promote the sound development of the Group’s employment management</p>

As a responsible corporate citizen, Tongda Group strictly adheres to labour regulations and firmly opposes child labour and forced labour. We prioritize employee rights, ensuring everyone works in a safe and voluntary environment. Our comprehensive employment system protects employees’ legal rights while supporting their physical and mental well-being. Through standardized recruitment and fair employment policies, we provide all employees with equitable treatment and comprehensive social security benefits.

The Group believes that sustainable corporate development rests on respecting employee rights. We continuously refine our labour policies and maintain a fair, harmonious workplace where every employee can work confidently and achieve their personal potential.

## Environmental, Social and Governance Report

### *Preventing Child Labour*

Tongda Group strictly complies with relevant laws and maintains a zero-tolerance policy toward child labour. We implement rigorous recruitment procedures—including interviews, background checks, and identity verification—to ensure all job applicants meet the legal working age requirement. All applicants' personal information is securely recorded in both the Human Resources and public security systems, with the Human Resources Department overseeing the review and management of this information to ensure full legal compliance throughout the recruitment process.

Should any case of child labour be discovered, the Group will take immediate remedial action. Our first steps include stopping the child's work arrangement, arranging medical examinations, and notifying labour authorities. We ensure the child's safe return to parents or guardians while providing educational support and necessary assistance. The Group monitors the child's well-being and conducts thorough investigations to identify root causes. We take strict disciplinary action against those responsible for violations and strengthen our preventive measures to prevent recurrence.

### *Protection of Minors and Student Workers*

The Group prioritizes protecting the rights of minor workers and student interns. We maintain rigorous review processes to verify that all student interns have proper qualifications and sign compliant work agreements. To protect their health and safety, we implement comprehensive measures—including pre-employment health screenings, safety training, and regular medical checkups. We maintain strict workplace safety standards, prohibiting minor workers and student interns from performing heavy physical labour or any tasks with safety risks. Through consistent supervision and evaluation, we ensure all work arrangements meet legal requirements while continuously monitoring working conditions.

### *Preventing Forced Labour*

The Group strictly complies with labour regulations and prohibits all forms of servitude, forced labour, human trafficking, and prison labour. We maintain complete transparency during recruitment, ensuring candidates fully understand their job responsibilities and benefits. The Group strictly forbids charging employees fees, withholding personal documents, or demanding guarantees, while fostering a respectful and humane work environment.

Upon discovering any instance of forced labour, the Group takes immediate and decisive action. We halt such practices at once, provide affected employees with necessary protection and support, and collaborate with law enforcement to address violations legally. The Group terminates the employment of any personnel involved in forced labour practices and reserves the right to pursue legal action against them.

### *Resignation Arrangement*

Tongda Group handles employment termination with fairness and impartiality. All terminations require amicable consultation between employees and the Group, following established procedures. Once a resignation is confirmed, the Human Resources Department arranges comprehensive work handovers and calculates compensation packages accurately. In cases of serious misconduct or negligence, the Group will pursue appropriate legal action to protect its interests.

We prioritize the rights of departing employees and maintain a transparent, reasonable termination process. Upon completion of exit procedures, the Group promptly pays all due wages and processes relevant documentation. We have also implemented a thorough evaluation system to ensure fair and compliant terminations while safeguarding the legal rights of both the Group and employees.

When terminating employment due to policy violations, we adhere strictly to relevant laws and regulations, maintain procedural fairness, and keep detailed written records. These standardized practices help us foster positive employment relationships and support healthy corporate development.

### *Reporting and Supervision Mechanism*

The Group has established diverse communication channels—including suggestion boxes, labour unions, and employee representative mechanisms—to encourage employees to express their work-related thoughts and suggestions. Our dedicated team reviews collected feedback weekly, holds meetings for thorough discussions, and develops improvement plans. Please refer to the diagram on page 61 for details.

To protect labour rights comprehensively, we implement extensive monitoring measures. Through regular internal personnel audits, employee interviews, and rigorous supplier evaluations, we maintain high labour standards. Tongda Group partners only with compliant suppliers and rejects any business relationships involving illegal labour or unauthorized subcontracting. These practices demonstrate our commitment to legal compliance while building corporate credibility and strengthening stakeholder trust. We continuously enhance our monitoring systems to ensure our entire supply chain meets labour standards.

## Employee Communications

Management provisions for rights protection	
<b>Policy of the Group and its subsidiaries</b> <ul style="list-style-type: none"><li>• “Tongda Group Employee Handbook”</li><li>• “Freedom of Association and Collective Bargaining Management System”</li><li>• “Employee Grievance Management System”</li><li>• “Employee Dispute Resolution System”</li></ul>	<b>Key points</b> <ul style="list-style-type: none"><li>• Establish a grievance and complaint mechanism to handle employees’ feedback in a timely manner, in order to eliminate unethical behaviours and protect the legitimate rights and interests of employee</li><li>• Establish a communication mechanism to encourage employees to express their opinions, so as to build a harmonious labour relationship</li></ul>

The Group believes that effective two-way communication forms the cornerstone of corporate success. We foster an open, transparent communication culture where employees can speak freely and express their views. Through diversified communication channels, we can not only respond to employees’ concerns in a timely manner but also effectively promote team collaboration and create a harmonious and inclusive work environment.

To achieve this, we continuously refine our human resources management system to enhance employee satisfaction and belonging. By regularly gathering feedback and improving communication processes, we better understand employee needs and provide targeted support. This people-centered approach boosts corporate efficiency while building employee loyalty—establishing a solid foundation for sustainable growth.



### Grievance and complaint mechanism

#### Available channels:

1. Suggestion boxes installed in non-monitored areas across all regions
2. Employee self-service platform on WeCom, providing complaint suggestions and support services
3. Dedicated reporting and complaint email address and hotlines
  - After receiving relevant feedback, dedicated personnel will conduct a fair and independent investigation and submit a reply within the specified time
  - Undertake confidentiality commitment to employees who express their opinions, and prohibit any forms of retaliation

#### Email and hotline:

- Xiamen handsets and components division: opinion@tongda.com/+86-595-6893358
- Xiamen smart tech division: tdcz01@xmcz.cn/+86-595-0592-6899307
- Shishi handsets and components division: td547@tongda.com/+86-595-88686153 or +86-595-886889184; for internal complaints: td547@tongda.com/ +86-595-88686153 or +86-595-88688918
- Shishi home appliances division: lsj@xx.com/+86-595-88685805
- Shishi smart tech division: jinw@xmcz.cn or xmcz@xmcz.cn/+86-595-18150923266
- Guangdong network communications facilities division: zj09@tongdasz.com/+86-595-82905888



### Trade union and employee representative

- Recognize and respect employees' right to exercise freedom of association and collective bargaining in accordance with the laws; Support the development of employee representative elections, employee representative conferences and other forms of democratic participation
- Hold regular meetings with employee representatives to hear their demands and provide feedback to The Group leaders
- Protect the legitimate rights and interests of employees and prohibit any forms of interference and unfair treatment

#### Annual labour union member meetings:

- Xiamen handsets and components division: Held 1 employee representative meeting with 50 employees participating
- Shishi home appliances division: 1 employee representative meeting was held, with 16 employees participating



### Employee satisfaction survey

- Annual satisfaction surveys are conducted, covering all major departments of the Group, including production, quality control, process engineering, and general management, ensuring broad representativeness
- The survey results were generally positive, showing that employees gave positive feedback on multiple dimensions, including work environment safety, human resources service processes, and logistical support. Simultaneously, we collected specific feedback from employees through an anonymous feedback system (such as cafeteria food and rest area management). This valuable information has become an important basis for relevant departments to formulate continuous improvement measures
- Survey data and written opinions are regularly summarized, analyzed, and submitted to management for review, ensuring that employee voices drive management decisions and service optimization, forming a virtuous cycle of "listening-analyzing-improving"



### Regular employee communication channels

- Provide the latest Group information via internal newspapers, websites, instant messaging, and internal forums
- Establish employee relations departments, mediation rooms, employee care centers, and psychological counseling rooms to understand employee needs
- Regularly collect employee opinions and suggestions through employee care hotlines, anonymous mailboxes, chairman's email, and WeChat for the Group
- Conduct two-way communication through employee representatives, employee forums, and employee interviews
- To gather in-depth opinions on specific issues, the Group invites relevant employees for individual interviews. The interview content is kept confidential to ensure accurate responses to employee needs and maintain good management performance in the long term

# Environmental, Social and Governance Report

## COMMITMENT TO THE ENVIRONMENT

The Group upholds sustainable development as our core value and environmental protection as our fundamental corporate responsibility. We recognize the intricate connection between business operations and the environment, which drives us to take proactive steps to advance comprehensive environmental initiatives.

To realize our vision of green development, we have created comprehensive environmental management strategies. These include supporting national “dual carbon” goals, reducing our operational environmental impact, and strengthening climate risk management. Through our robust environmental management systems, we have made significant progress in pollution and carbon reduction, resource efficiency, and climate adaptation.

Meanwhile, the Group’s environmental management system has obtained ISO14001 and ISO50001 certifications, demonstrating our firm commitment to environmental protection. In our daily operations, we prioritize and continuously implement environmental protection, energy conservation and emission reduction, campus greening, and employee health and safety, optimizing production processes to ensure that all operational activities meet stringent environmental standards. Through annual environmental assessments and monitoring mechanisms, we continuously improve our environmental performance management and promote sustainable development.

These environmental management measures showcase both our focus on environmental protection and our commitment to environmental excellence. Looking ahead, we will continue to enhance our environmental management practices to achieve higher environmental protection standards and contribute to a greener future.

Overall, the Group has established the following policies for environmental management:

### Policy of the Group and its subsidiaries

#### General environmental impact

- “Continuous Improvement Control Procedure”
- “Environmental Factor Identification and Impact Assessment Control Procedure”
- “Energy Consumption Control Procedure”
- “New Project Environmental Impact Assessment Control Procedure”
- “Environmental Monitoring, Measurement, Analysis and Evaluation Control Procedure”
- “Pollutant Control Procedure”
- “Objectives, Targets and Management Program Control Procedure”
- “GHG Management System”
- “Noise Management System”

### Key points

To minimize our business operations’ environmental impact, we have established comprehensive assessment and management policies. These ensure that our environmental impact not only meets regulatory requirements but is also reduced to the lowest possible level

## Policy of the Group and its subsidiaries

## Key points

### Noise

- Noise Management Policy

During the year, the Group's business operations did not cause any significant negative impact on the environment.

## Energy Consumption

## Policy of the Group and its subsidiaries

## Key points

- *"Energy Consumption Control Procedure"*
- *"Energy Conservation and Emission Reduction Management System"*
- *"Energy Conservation and Consumption Reduction Management System"*

Establish energy management specifications to ensure rational energy use, so as to effectively promote energy conservation and emission reduction, and improve energy efficiency for environmental protection

To achieve our environmental vision, the Group implements energy conservation and carbon reduction measures to create a green, low-carbon operation. We have established dedicated energy management teams across all divisions to oversee conservation and emission reduction efforts. These teams monitor daily energy usage, track consumption patterns, and conduct regular equipment inspections to maintain optimal efficiency. Through systematic goal-setting and performance reviews, we continuously refine our energy management system to prevent waste. These initiatives demonstrate both our environmental commitment and our determination to promote sustainable development.

# Environmental, Social and Governance Report

<b>New production project</b>	<ul style="list-style-type: none"><li>• Energy-saving facilities should be designed, constructed, and put into operation at the same time as the main project, fully improving energy utilization</li></ul>
<b>Electricity conservation</b>	<ul style="list-style-type: none"><li>• Clearly manage the electricity usage in offices, workshops, laboratories, and cafeterias, reducing equipment standby time</li><li>• Implement a “responsible person system” to control the operation of air conditioning systems, and regularly clean and repair air conditioning lines</li></ul>
<b>Technical energy saving</b>	<ul style="list-style-type: none"><li>• Prioritize the purchase of equipment with good energy-saving and emission-reduction performance during the procurement process</li><li>• Maintain equipment in a timely manner to reduce its energy consumption level</li><li>• Strengthen the monitoring of the energy consumption situation of key energy-consuming equipment and old equipment, and regularly analyze the energy consumption situation</li><li>• Actively develop, promote, and apply various new technologies and equipment for energy saving and emission reduction</li></ul>
<b>Environmental protection training</b>	<ul style="list-style-type: none"><li>• Carry out energy-saving and emission-reduction education and training for employees to raise awareness of conservation</li></ul>

## Environmental, Social and Governance Report

Each division of the Group has set its own energy-saving and emission-reduction targets for this year, and carried out the following actions:

Energy saving & reduction target	Completion progress	Energy-saving and emission reduction management projects
<ul style="list-style-type: none"> <li>• Shishi handsets and components division:               <ol style="list-style-type: none"> <li>1. Power distribution facility energy-saving control targets: average power factor <math>\geq 0.9</math></li> <li>2. Steam energy-saving and consumption-reduction control targets: steam energy consumption coat per RMB 10,000 of output value <math>\leq</math>RMB 80</li> <li>3. Power energy consumption control target: power consumption cost per RMB 10,000 of output value <math>\leq</math> 210 kWh</li> </ol> </li> <li>• Guangdong network communication facilities division:               <ol style="list-style-type: none"> <li>1. Annual production electricity consumption target: monthly electricity consumption per RMB 10,000 of output value decreases year by year, with unit consumption <math>\leq</math> 430 kWh</li> <li>2. Annual residential electricity consumption target: monthly electricity consumption per RMB 10,000 of output value decreases year by year, with unit consumption <math>\leq</math> 25 kWh</li> </ol> </li> <li>• Shishi smart tech division:               <ol style="list-style-type: none"> <li>1. The target for unit energy consumption of plastic products is <math>\leq 0.153</math> kgce/kg</li> <li>2. The target for silicone products is <math>\leq 0.750</math> kgce/kg</li> <li>3. The target for public utility electricity products is <math>\leq 0.370</math> kgce/kg</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>• Shishi handsets and components division: Completed</li> <li>• Guangdong network communication facilities division: In progress</li> <li>• Shishi smart tech division: Completed</li> </ul>	<ul style="list-style-type: none"> <li>• Energy-saving measures such as pipeline optimization in the power house, parameter settings for staged air pressure, and small vacuum retrofits</li> <li>• Reasonably control the steam flow to the heating tanks, and ensure that the steam is turned off promptly after production ends to reduce steam consumption</li> <li>• Track the transformer load in the plant area quarterly, and consolidate underutilized transformers during holidays to save on basic transformer usage fees</li> <li>• Conduct statistics on unreasonable planning and design of the plant's power distribution lines, recover and reuse cables to save on cable procurement costs while reducing line loss expenses caused by irrational wiring</li> <li>• Install an online energy monitoring system on the distribution cabinets</li> <li>• Conduct annual inspections on the power distribution room regularly</li> <li>• Replace old, inefficient air conditioning systems with energy-efficient ones</li> <li>• Set the air conditioning temperature to 24-26 degrees Celsius</li> <li>• Regularly clean the air filters and fan coil units; establish a maintenance schedule to ensure the air conditioning system operates efficiently</li> <li>• Adopt, replace, or upgrade energy-saving equipment, such as installing motion sensors and light sensors</li> <li>• Change computer settings to activate standby or hibernate mode, so that the display screen automatically turns off or enters power-saving mode after prolonged inactivity; turn off personal computers (including monitors) after office hours</li> </ul>

## Environmental, Social and Governance Report

The Group's operations utilize factory equipment such as boilers, vehicles, and mobile machinery in its plants, and also consume other fuels such as natural gas, diesel, and unleaded gasoline, this year, the Group also consumed green electricity generated by wind power and photovoltaic power. The Shishi handsets and components division and the Shishi smart tech division have completed photovoltaic projects, achieving zero-carbon power generation through the installation of photovoltaic panels. This project aims to increase the Group's clean energy share and effectively save on electricity costs. Currently, the Group is actively expanding the application of renewable energy on-site to continuously reduce GHG emissions through sustainable clean energy. The Group's total energy consumption for the year was 214,948.82 (2024: 333,336.75) thousand kWh, with an energy consumption intensity of 41.49 (2024: 59.63) kWh/HK\$ 1,000. Electricity was the main energy consumption source, used for the operation of production plants. The significant decrease in total energy consumption compared to last year was mainly due to the adjustment of the production bases covered by the Shishi home appliance division, and the exclusion of Tongda Precision from the scope of this year's Report, which resulted in a reduction in the electricity used for production within the scope of the Report for the current year.

Energy consumption	Unit	2025 <sup>4</sup>	2024	Change
Purchased electricity	MWh	<b>167,759.02</b>	282,069.35	-40.53%
Purchased electricity (green power)	MWh	<b>12,831.00</b>	15,469.37	-17.06%
Purchased electricity (solar energy)	MWh	<b>5,684.66</b>	2,038.57	178.86%
Unleaded petrol	MWh	<b>740.41</b>	844.27	-12.30%
Diesel oil	MWh	<b>1,043.24</b>	1,696.23	-38.50%
Pipeline natural gas	MWh	<b>11,649.33</b>	13,803.41	-15.61%
Steam and heat	MWh	<b>15,241.16</b>	17,415.57	-12.49%
Total energy consumption	MWh	<b>214,948.82</b>	333,336.75	-35.52%
Energy intensity (by revenue)	kWh/HK\$ 1,000	<b>41.49</b>	59.63	-30.42%

<sup>4</sup> Due to changes in the Reporting scope, the data for this reporting period may not be entirely comparable to the data for the same period in 2024.

## Air Pollutants

### Policy of the Group and its subsidiaries

- *“Pollutant Control Procedure”*
- *“Air Emissions Management System”*
- *“GHG Management System”*
- *“Environmental Monitoring, Measurement, Analysis and Evaluation Control Procedure”*
- *“Energy Conservation and Emission Reduction Management System”*

### Key points

Formulate management norms for controlling exhaust emissions, and ensure that emissions meet standards through monitoring to reduce air pollution

To ensure community air quality and public health, the Group strictly follows national and local emission standards through continuous monitoring and management of air emissions. We have installed advanced air treatment facilities at all production sites that operate in sync with production equipment. This ensures all exhaust gases are systematically collected, processed, and released only after meeting emission standards.

Our comprehensive air emission management system includes regular facility inspections, maintenance protocols, and a thorough patrol system to prevent potential gas leaks. These measures demonstrate our commitment to maintaining high environmental protection standards and contributing to a cleaner environment.

<p><b>Emission control</b></p> 	<ul style="list-style-type: none"> <li>• Operate the exhaust gas system in strict accordance with the operating procedures, and carry out daily maintenance to ensure standard emissions</li> <li>• In any process where volatile chemicals are used, storage precautions must be carefully enforced to prevent leakage</li> <li>• Conduct regular inspections on relevant exhaust gas pipelines, report and handle any issues instantly to avert system failure</li> <li>• Regularly clean filters in the ventilation system, oil fume purification devices, air conditioning system, etc., to ensure standard emissions</li> </ul>
<p><b>Monitoring</b></p> 	<ul style="list-style-type: none"> <li>• Entrust a qualified third-party testing organization to conduct monitoring of air emission level at least once a year</li> <li>• Regularly undergo environmental inspection by the governmental monitoring department</li> </ul>
<p><b>Maintenance of treatment facility</b></p> 	<ul style="list-style-type: none"> <li>• Assign management personnel to regularly inspect, clean, maintain and replace necessary components and materials according to relevant plan, and keep record of the daily operation of exhaust gas facilities</li> </ul>
<p><b>Training</b></p> 	<ul style="list-style-type: none"> <li>• Conduct factory-level environmental safety education for all employees, and require relevant employees to obtain operation certification</li> </ul>
<p><b>Emergency handling</b></p> 	<ul style="list-style-type: none"> <li>• In case of accidents such as facility failure and exhaust gas leakage, immediately implement emergency measures according to the “Emergency Preparedness and Response Control Procedures”, and suspend operations related to exhaust gas emissions for inspections and emergency repairs</li> <li>• When the emission level fails to meet the standards, investigate the cause according to relevant procedures and execute corresponding improvement measures</li> </ul>

## Environmental, Social and Governance Report

During the Year, the Group strived to reduce air pollutant emissions through the following improvement actions to improve air quality and protect the environment:

Air emissions target	Completion progress	Actions taken to achieve the targets
<ul style="list-style-type: none"> <li>• Shishi handsets and components division:               <ol style="list-style-type: none"> <li>1. Printing exhaust emissions comply with Fujian Province local standard “Emission Standard of Volatile Organic Compounds for Printing Industry” (DB35/1784-2018)</li> <li>2. Spray coating exhaust emissions meet Fujian Province local standard “Emission Standard of Volatile Organic Compounds for Industrial Surface Coating” (DB35/1783-2018)</li> <li>3. Sulfuric acid mist emissions comply with “Emission Standard of Pollutants for Electroplating” (GB21900-2008)</li> <li>4. Phosphoric acid mist emissions meet Shanghai’s “Integrated Emission Standard of Air Pollutants” (DB31/933-2015)</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>• Shishi handsets and components division: Completed</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct daily inspections of the plant area and promptly report any abnormalities to the workshop for handling</li> <li>• Develop an “Operational Guidelines for Waste Gas Treatment Facilities”</li> <li>• Perform daily maintenance and upkeep of the waste gas treatment facilities</li> </ul>

# Environmental, Social and Governance Report

Air emissions target	Completion progress	Actions taken to achieve the targets
<ul style="list-style-type: none"> <li>• Guangdong network communications facilities division:               <ol style="list-style-type: none"> <li>1. Unorganized Waste Gas Emission Targets                   <ol style="list-style-type: none"> <li>1) Injection molding/extrusion processes shall comply with the factory boundary limits of the “Emission Standard for Pollutants from Synthetic Resin Industry” and the factory-area limits of the “Emission Control Standard for Unorganized Volatile Organic Compounds”</li> <li>2) Powder baking/screen printing and drying processes shall comply with the factory-area limits of the “Emission Control Standard for Unorganized Volatile Organic Compounds” and the factory boundary limits of the Guangdong Province “Emission Standard for Volatile Organic Compounds in the Printing Industry” (whichever is stricter)</li> <li>3) Powder spraying processes shall comply with the second-phase unorganized emission concentration limits of the Guangdong Province “Emission Standard for Air Pollutants”</li> </ol> </li> <li>2. Organized exhaust emission targets                   <ol style="list-style-type: none"> <li>1) For the painting/drying process, VOCs will comply with the Guangdong Province “Emission Standard for Volatile Organic Compounds in Furniture Manufacturing Industry”, VOCs Limit for Exhaust Stack, Time Phase II</li> <li>2) For the injection molding/extrusion process, the limits will comply with the “Emission Standard for Pollutants in Synthetic Resin Industry”</li> </ol> </li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>• Guangdong network communication facilities division: Completed</li> </ul>	<ul style="list-style-type: none"> <li>• Regularly monitor emission outlets using a handheld volatile organic compounds (“VOCs”) analyzer and commission a qualified contractor to monitor the emission outlets annually</li> <li>• Develop an “Emergency Response Plan for Abnormalities in Waste Gas Treatment Facilities” and conduct annual drills for this plan</li> </ul>

# Environmental, Social and Governance Report

Air emissions target	Completion progress	Actions taken to achieve the targets
<p>3) For the injection molding/screen printing and drying process, non-methane total hydrocarbons will comply with the limits of the "Emission Standard for Pollutants in Synthetic Resin Industry"</p> <p>4) For the injection molding/screen printing and drying process, VOCs will comply with the Guangdong Province "Emission Standard for Volatile Organic Compounds in Printing Industry", VOCs Limit for Exhaust Stack, Time Phase II</p>		

During the Year, air emissions of the Group were mainly from exhaust gas of vehicles and natural gas combustion, the data is detailed as follows:

Air emissions	Unit	2025	2024	Change
Nitrogen oxides (NOx)	kg	<b>2,747.80</b>	5,943.36	-53.77%
Sulfur oxides (SOx)	kg	<b>224.07</b>	351.56	-36.26%
Particulate matters (PM)	kg	<b>13.80</b>	27.50	-49.82%

During the year, the Group's overall emissions decreased significantly compared to the previous year, mainly due to adjustments in the production bases covered by the Shishi home appliances division and the exclusion of Tongda Precision from the reporting scope of this Report, which resulted in a decrease in the Group's natural gas consumption and mobile source fuel consumption within the reporting scope this year.

# Environmental, Social and Governance Report

## Waste

### Policy of the Group and its subsidiaries

- *“Pollutant Control Procedure”*
- *“Solid Waste Management System”*
- *“Hazardous Waste Management System”*

### Key points

- Establish clear classification, disposal, and recycling standards for effective, environmentally friendly, and safe management of all types of waste, to ensure that it does not cause environmental pollution, and to promote waste resource utilization
- Establish clear guidelines for the classification, recycling, and management of hazardous waste to prevent pollution or accidents

The Group places great importance on waste management and is committed to protecting the environment through the establishment of comprehensive management systems and control measures. We focus on reducing waste at the source, minimizing environmental impact, and promoting resource recycling. In the production process, we actively promote energy conservation and pollution reduction and adopt an innovative 6R waste management approach, including Reject, Reduce, Reuse, Recycle, Energy Recovery, and Decomposition, to maximize the use of resources.

To ensure compliance with environmental standards, we have established dedicated teams at each production base to oversee waste handling. We maintain specialized recycling areas organized by waste type and implement strict classification protocols. We also foster environmental awareness among employees through detailed sorting guidelines and environmental education, strengthening their commitment to environmental responsibility.

These measures have proven highly effective, with all waste treatment meeting environmental requirements and zero pollution incidents recorded during the year.

## Environmental, Social and Governance Report

Each division of the Group has established targets for general waste production this year and has implemented the following projects to enhance waste handling:

Wastewater discharge target	Completion progress	Actions taken to achieve the targets
<ul style="list-style-type: none"> <li>• Shishi handsets and components division:               <ol style="list-style-type: none"> <li>1. Industrial wastewater discharge complies with the Class III standard of the “Integrated Wastewater Discharge Standard” (GB8978-1996) and the influent water quality requirements of the development zone’s wastewater treatment plant.</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>• Shishi handsets and components division: Completed</li> </ul>	<ul style="list-style-type: none"> <li>• The laboratory should promptly release influent and effluent data. Wastewater treatment personnel should administer chemicals based on the pH levels of each wastewater treatment system and the data released by the laboratory</li> <li>• A qualified contractor should be commissioned annually to monitor wastewater</li> <li>• A “Wastewater Treatment Facility Operation Manual” should be developed</li> <li>• An “Emergency Response Plan for Wastewater Treatment Facility Abnormalities” should be developed, and wastewater treatment emergency response drills should be conducted annually</li> <li>• Waste liquids and wastewater generated from cleaning, maintenance, and experiments in the production workshop should be discharged into the wastewater treatment plant; it is strictly forbidden to pour them into sewers or storm drains</li> </ul>

# Environmental, Social and Governance Report





## *Hazardous waste*

The Group's production processes generate various hazardous wastes, including sludge, waste oil, waste acids, waste organic solvents, waste activated carbon, and waste mineral oils. To safeguard both the environment and human health, we employ comprehensive and rigorous management measures for proper hazardous waste handling. We maintain strict monitoring throughout the entire process—from collection to final disposal—to minimize ecosystem impact.

As a responsible enterprise, we adhere strictly to environmental regulations through our comprehensive hazardous waste treatment system. We minimize environmental risks and ensure compliance with emission standards through professional waste classification, secure storage, safe transportation, and environmentally sound processing. This systematic approach reflects our unwavering commitment to environmental protection.

Management approach of hazardous waste management	
Avoid or reduce the generation of hazardous waste	Encourage the reasonable use of hazardous waste
Implement harmless disposal of hazardous waste	Strengthen the prevention, control and supervision of hazardous waste pollution

## HAZARDOUS WASTE MANAGEMENT PROCESS

<p><b>Collection</b></p> 	<ul style="list-style-type: none"><li>• Adopt the principles of classified collection and accurate placement, specifying the transportation of waste to designated locations for classified storage</li><li>• Clearly mark the storage sites and collection containers for different types of waste, while posting safety warning signs</li></ul>
<p><b>Storage</b></p> 	<ul style="list-style-type: none"><li>• A dedicated hazardous waste warehouse, all placed in the hazardous waste warehouse leakproof slot, separated from non-hazardous waste</li><li>• The storage area is far from crowded areas and flammable storage areas, and is equipped with fire prevention facilities</li><li>• Do not place it randomly or in the open air, and keep the storage site tidy and orderly</li><li>• Regularly conduct safety inspections on the hazardous waste warehouse to ensure compliance with standards, and rectify immediately if there are problems</li></ul>
<p><b>Handling</b></p> 	<ul style="list-style-type: none"><li>• Classify and handle according to different situations and material properties, and wait for a certain amount to be stored before legally transferring for processing</li><li>• Non-recyclable hazardous waste is regularly transferred and recycled by qualified processing units</li><li>• Take measures to prevent dispersion, loss, leakage, and other pollution prevention measures</li></ul>
<p><b>Recording</b></p> 	<ul style="list-style-type: none"><li>• Establish a hazardous waste management list to track the entire process of hazardous waste disposal</li><li>• Record the relevant data of hazardous waste truthfully for reporting to the environmental protection department</li><li>• Accept spot checks and annual inspections by the local environmental protection department at the production base, and conduct internal and external audits</li></ul>

## Environmental, Social and Governance Report

Each division of the Group has set hazardous waste emission targets for this year and has implemented the following projects to strengthen hazardous waste management:

Hazardous waste management targets	Completion progress	Actions taken to achieve the targets
<ul style="list-style-type: none"> <li>• Shishi handsets and components division:               <ol style="list-style-type: none"> <li>1. Hazardous waste output value target: hazardous waste output value per RMB 10,000 of output value ≤ RMB 12</li> </ol> </li> <li>• Guangdong network communication facilities division: Hazardous waste compliance management               <ol style="list-style-type: none"> <li>1. Management system: Complies with the national “Regulations on the Safety Management of Hazardous Chemicals”</li> <li>2. Temporary hazardous waste storage facilities: Must comply with the relevant provisions of the “Standards for Pollution Control of Hazardous Waste Storage” (GB18597-2001)</li> <li>3. Standard implementation: Strictly implemented in accordance with the relevant requirements of the “National Hazardous Waste List (2021 Edition)”, the “Interim Provisions on the Management of Hazardous Waste Operation Permits in Guangdong Province” (Guangdong Environmental Protection Bureau Document No. (97)177), and the “Interim Provisions on the Management of Hazardous Waste Transfer Report Forms in Guangdong Province”</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>• Shishi handsets and components division: Completed</li> <li>• Guangdong network communication facilities division: Completed</li> </ul>	<ul style="list-style-type: none"> <li>• Strictly implement the “Regulations on Waste Disposal and Recycling Management” and the “Regulations on Chemical Management”</li> <li>• Each branch should have recycling stations for recyclable, non-recyclable, and hazardous waste, and employees should be trained in waste sorting</li> <li>• Non-recyclable waste should be handed over to the municipal government for processing; recyclable waste should be disposed of by the General Affairs Department; and hazardous waste should be recycled and processed by qualified third parties</li> <li>• Conduct a compliance analysis to ensure full compliance with the requirements of the “Solid Waste Pollution Prevention and Control Law of the People’s Republic of China”</li> <li>• Hazardous waste management records should be complete, and hazardous waste management plans should be registered and filed</li> </ul>

# Environmental, Social and Governance Report

Hazardous waste management targets	Completion progress	Actions taken to achieve the targets
<ul style="list-style-type: none"> <li>• Shishi home appliances division:               <ol style="list-style-type: none"> <li>1. Estimated annual hazardous waste generation: 20.4 tonnes</li> <li>2. Overall hazardous waste reduction target: 4.5 tonnes</li> <li>3. Classification reduction plan:                   <ol style="list-style-type: none"> <li>1) Organic solvents: Planned reduction of 1,000.0 kg</li> <li>2) Waste paint residue: Planned reduction of 1,000.0 kg</li> <li>3) Waste acid: Planned reduction of 1.0 tonne</li> <li>4) Sludge: Planned reduction of 1.0 tonne</li> </ol> </li> </ol> </li> <li>• Shishi smart tech division:               <ol style="list-style-type: none"> <li>1. Target reduction rate of hazardous waste emission ratio: <math>\geq 1.0\%</math></li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>• Shishi home appliance division: Completed</li> <li>• Shishi smart tech division: Completed</li> </ul>	<ul style="list-style-type: none"> <li>• After being collected by the production unit, the waste is stored in a hazardous waste warehouse. The purchasing department is then responsible for contacting qualified hazardous waste disposal companies for legal transfer and treatment</li> <li>• Transfer is required annually based on the actual quantity generated</li> </ul>

The Group prioritizes safety and professional training for hazardous waste handling personnel. We provide comprehensive protective equipment and conduct annual training courses on operating procedures, legal regulations, professional skills, safety measures, and emergency response to ensure staff maintain high levels of expertise.

For hazardous waste incidents, we maintain a robust emergency response system. Relevant departments must report incidents immediately. Following resolution, they must submit detailed reports documenting the incident data, causes, process, and emergency measures—creating valuable references for future prevention and improvements.



# Environmental, Social and Governance Report

## Non-hazardous waste

Our daily operations generate various non-hazardous waste—general waste, paper, plastic, metal, and wood. We've implemented a thorough management system for proper waste classification and handling. Following environmental protection and cost-effectiveness principles, we are committed to reducing waste generation at the source and practicing the environmental protection concept of minimizing waste.

We employ a dual-track waste classification system, dividing waste into two main categories: recyclable and non-recyclable. To ensure effective sorting, we clearly label classification guidelines on the trash bins and assign dedicated personnel to oversee the entire recycling process. Recyclable materials are properly processed and stored for future reuse or handed over to qualified recyclers, while non-recyclable waste is regularly cleared by environmental authorities. We place particular emphasis on managing waste storage areas, ensuring they remain tidy and strictly enforcing the separation of different categories of waste. In addition, we actively collaborate with partners to promote environmental protection, encouraging contractors to participate in waste recycling programs.

To boost environmental performance, we optimize our production processes through upgraded materials, improved workflows, and better raw material efficiency. These improvements reduce manufacturing waste and prevent hazardous waste pollution. Each division has established specific waste reduction targets and implemented the following actions:

Waste reduction targets	Completion progress	Actions taken to achieve the targets
<ul style="list-style-type: none"> <li>• Shishi handsets and components division:               <ol style="list-style-type: none"> <li>1. Direct conversion rate of solid waste: 86.0%</li> </ol> </li> <li>• Guangdong network communication facilities division:               <ol style="list-style-type: none"> <li>1. Storage and treatment: General industrial solid waste complies with the “Standard for Pollution Control on Storage and Disposal of General Industrial Solid Wastes” (GB18599-2020)</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>• Shishi handsets and components division: Completed</li> <li>• Guangdong network communication facilities division: Completed</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce waste generation, implement waste sorting and recycling, and reduce the use of disposable items</li> <li>• Supervise solid waste classification and collection across all departments, eliminating instances of mixing hazardous waste with general solid waste</li> </ul>

Waste reduction targets	Completion progress	Actions taken to achieve the targets
<p>2. Generation control:</p> <p>1) Packaging materials: Annual output is approximately 0.2 tonnes</p> <p>2) Metal scraps and leftover materials: Annual output is approximately 0.5 tonnes</p> <ul style="list-style-type: none"> <li>• Xiamen smart tech division:               <ol style="list-style-type: none"> <li>1. Compliance rate: 100% (Judged by no non-conformities in internal audits and customer audits)</li> <li>2. Waste output value target: waste output value per RMB 10,000 of output value ≤ RMB 6,950</li> </ol> </li> <li>• Shishi smart tech division               <ol style="list-style-type: none"> <li>1. Waste emission target compliance rate: 100.0%</li> <li>2. Judged by the absence of non-compliance items in internal audits and customer audits</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>• Xiamen smart tech: Completed</li> <li>• Shishi smart tech: Completed</li> </ul>	<ul style="list-style-type: none"> <li>• Provide waste reduction and recycling guidelines to employees, conduct training for staff involved in solid waste cleanup and transfer, ensuring strict compliance with solid waste management regulations</li> <li>• Legally dispose of hazardous waste through the “Fujian Province Solid Waste Environmental Monitoring Platform”</li> <li>• Optimize production planning to minimize raw material input and control solid waste output</li> <li>• Select disposal units that implement solid waste recycling and reuse methods</li> <li>• Adopt new technologies to reduce solid waste generation and improve resource utilization</li> <li>• Process non-hazardous waste through classification and engage qualified disposal units for regular collection and recycling</li> <li>• Commission qualified disposal units for the harmless treatment of hazardous waste</li> <li>• Monitor waste treatment processes to prevent pollution</li> </ul>

# Environmental, Social and Governance Report

## HIGHLIGHT OF THE YEAR

In terms of environmental management and pollution prevention, Tongda Group launched the Xiamen handsets and components division waste gas treatment system renovation project this year, introducing equipment such as a regenerative thermal oxidizer (RTO) to improve waste gas treatment efficiency. The system was installed in November 2025, powered on and commissioned in December, and waste gas has been gradually introduced for testing since January 2026. Currently, equipment such as the UV4 line is still in the commissioning phase, and system stability is continuously being optimized. It is expected to be accepted in March 2026, achieving stable emissions compliance. Furthermore, we continue to strengthen our control and timely response capabilities for environmental risks during operations.

During this year, the Group generated a total of 1,353.49 (2024: 1,730.39)<sup>5</sup> tonnes of hazardous waste and 8,460.30 (2024: 10,272.36) tonnes of non-hazardous waste, with intensities of 0.26 (2024: 0.31)<sup>5</sup> kg/HK\$ 1,000 and 1.63 (2024: 1.84) kg/HK\$ 1,000 respectively. The amount of hazardous and non-hazardous waste generated decreased compared to last year, mainly due to adjustments in the production bases covered by the Shishi home appliances division, and the fact that Tongda Precision is no longer included in the scope of this year's Report.

Waste	Unit	2025 <sup>4</sup>	2024	Change
Total amount of hazardous waste	Tonnes	<b>1,353.49</b>	1,730.39 <sup>5</sup>	-21.78%
Intensity of hazardous waste (by revenue)	KG/HK\$ 1,000	<b>0.26</b>	0.31 <sup>5</sup>	-16.13%
Total amount of non-hazardous waste	Tonnes	<b>8,460.30</b>	10,272.36	-17.64%
Disposed non-hazardous waste	Tonnes	<b>1,041.91</b>	1,386.21	-24.84%
Recycled non-hazardous waste	Tonnes	<b>7,418.39</b>	8,886.14	-16.52%
Intensity of non-hazardous waste (by revenue)	KG/HK\$ 1,000	<b>1.63</b>	1.84	-11.41%

<sup>5</sup> The Group has reviewed and corrected its 2024 figures.

## Water

### Wastewater disposal

#### Policy of the Group and its subsidiaries

- *“Pollutant Control Procedure”*
- *“Wastewater Management System”*
- *“Rainwater Management System”*
- *“Soil and Groundwater Pollution Management Procedure”*
- *“Environmental Monitoring, Measurement, Analysis and Evaluation Control Procedure”*

#### Key points

Regulate the management of various types of wastewater, formulate management guidelines for the operation and maintenance of wastewater treatment systems, and supervise wastewater discharge to ensure compliance with standards, avoiding excessive discharge and water pollution caused by wastewater leakage

The Group recognizes the vital importance of water resources and protects the environment through comprehensive wastewater treatment systems. Our daily operations handle two types of wastewater—industrial and domestic. Through ongoing optimization of treatment processes and management measures, we ensure all wastewater discharge complies with environmental standards. We’ve installed advanced treatment facilities at every operational site, with online systems that monitor discharge in real time. We also partner with professional third-party institutions for regular monitoring and submit to government environmental inspections to ensure our wastewater treatment meets the highest standards.

As a responsible enterprise, environmental protection is our highest priority. Through rigorous wastewater management and technological innovation, we actively promote sustainable water use and environmental conservation. We believe proper wastewater treatment is essential for ensuring the sustainable future of clean water resources.

# Environmental, Social and Governance Report

Domestic wastewater	Industrial wastewater
<ul style="list-style-type: none"><li>• Wastewater is treated by recycled water treatment facilities for reuse, other sewage is treated in carburetor and septic tank and then discharged to municipal pipelines after meeting the discharge standard</li><li>• To ensure compliant operation of sewage system, debris are prohibited to enter sewers to prevent blockage and damage</li><li>• Regular management, inspection and maintenance of wastewater treatment facilities to ensure their effective operation</li></ul>	<ul style="list-style-type: none"><li>• Wastewater is stored in sewage circulation tanks designated for production plants, discharge and recycling are controlled according to specific treatment procedures</li><li>• Periodic inspection, maintenance and repair of industrial wastewater treatment system</li><li>• Industrial wastewater is strictly prohibited from discharging into the domestic wastewater treatment system</li><li>• Relevant management and operation personnel are provided with training on the operational requirements and techniques of wastewater treatment facilities</li></ul>

## Environmental, Social and Governance Report

During this year, each division of the Group established specific wastewater discharge targets and launched several projects to enhance wastewater treatment:

Wastewater discharge targets	Completion progress	Actions taken to achieve the targets
<ul style="list-style-type: none"> <li>• Shishi handsets and components division:               <ol style="list-style-type: none"> <li>1. Industrial wastewater discharge standard: Complies with the Class III standard of the “Integrated Wastewater Discharge Standard” (GB8978-1996)</li> <li>2. Influent requirement: Meets the influent water quality requirements of the development zone’s wastewater treatment plant</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>• Shishi handsets and components division: Completed</li> </ul>	<ul style="list-style-type: none"> <li>• The laboratory should promptly release influent and effluent data. Wastewater treatment personnel should administer chemicals based on the pH levels of each wastewater treatment system and the data released by the laboratory</li> <li>• A qualified contractor should be commissioned annually to monitor wastewater</li> <li>• Develop an “Operational Guidelines for Wastewater Treatment Facilities”</li> <li>• Develop an “Emergency Response Plan for Abnormalities in Wastewater Treatment Facilities” and conduct annual wastewater treatment emergency drills</li> <li>• Waste liquids and wastewater generated during cleaning, maintenance, and testing in production workshops should be discharged into the wastewater treatment plant; dumping them into sewers and storm drains is strictly prohibited</li> <li>• Conduct daily inspections of the plant area, and promptly report any abnormalities to the workshop for handling</li> <li>• Develop an “Operational Guidelines for Waste Gas Treatment Facilities”.</li> <li>• Routine maintenance and upkeep of waste gas treatment facilities</li> <li>• Regularly monitor emission outlets using a handheld VOCs tester, and annually commission a qualified contractor to monitor waste gas emission outlets</li> </ul>

## Environmental, Social and Governance Report

During this year, the Group generated a total of 761,180.62 (2024: 974,315.46) tonnes of wastewater, with a wastewater intensity of 146.94 (2024: 174.30) KG/HK\$ 1,000. The decrease in total wastewater volume was mainly due to adjustments in the production bases covered by the Shishi home appliances division, and the fact that Tongda Precision is no longer included in the scope of this year's Report.

Wastewater discharge	Unit	2025 <sup>4</sup>	2024	Change
Total domestic wastewater discharged	Tonnes	<b>452,684.62</b>	492,647.43	-8.11%
Total industrial wastewater discharged	Tonnes	<b>308,496.00</b>	481,668.03	-35.95%
Total wastewater discharged	Tonnes	<b>761,180.62</b>	974,315.46	-21.88%
Wastewater discharge intensity (by revenue)	KG/HK\$ 1,000	<b>146.94</b>	174.30	-15.70%

### Water usage

#### Policy of the Group and its subsidiaries

- “Energy Consumption Control Procedure”
- “Energy Conservation and Emission Reduction Management System”
- “Energy Conservation and Consumption Reduction Management System”

#### Key points

Formulate management regulations for the Group's use of water resources, implement the principle of water conservation, continuously monitor and maintain the use of water resources, systems and related technologies, and promote water resource protection

In the operations, the Tongda Group primarily utilizes water resources for industrial production and the daily lives of its employees. We take a proactive and responsible approach to comprehensively monitor and manage water usage, striving for the sustainable use of water resources. To ensure the effective use of water resources, the Group has established a strict water management system, regularly reviews water efficiency, and continuously explores innovative water-saving solutions. Through advanced technologies and management measures, we continuously optimize water efficiency to achieve a win-win situation for both environmental protection and economic benefits.

## Water-saving technological innovation

- Actively develop, promote, and apply new water-saving and recycling technologies, phase out production processes, technologies, and equipment with high water consumption to improve our water-saving efficiency
- Regularly supervise, inspect, maintain, and repair water-using equipment, pipes, and appliances, promptly report repairs when damage or leakage is found, to avoid unnecessary waste of water resources

## Water usage and water-saving statistics

- Establish a complete water system at each production base, and use water metering instruments to monitor the use of water
- Conduct monthly water consumption statistical analysis to better understand the water usage situation

## Reward system for water usage

- Establish a water management responsibility system, and set corresponding targets and performance evaluation standards, carry out internal water-saving inspections and assessments
- Each subsidiary Group has established related functional departments and units, responsible for implementing various water-saving measures, and continuously supervising to ensure that water saving work effectively protects water resources

## Water-saving publicity and education

- Actively promote experiences, methods, and knowledge of water conservation to reduce water consumption and waste
- Improve employee awareness of water conservation and cultivate good water usage habits

## Environmental, Social and Governance Report

During this year, each division of the Group set their own water resource targets and launched the following initiatives:

Water consumption targets	Completion progress	Actions taken to achieve the targets
<ul style="list-style-type: none"> <li>• Shishi handsets and components division:               <ol style="list-style-type: none"> <li>1. Tap water energy conservation control target: water consumption per RMB 10,000 of output value <math>\leq</math> RMB 34</li> <li>2. Concentrated water reuse control target: <math>\geq</math>60.0%</li> </ol> </li> <li>• Guangdong network communication facilities division:               <ol style="list-style-type: none"> <li>1. Annual target for production water use: monthly water consumption per RMB 10,000 of output value to decrease year by year, with a unit consumption <math>\leq</math> 2.5 tonnes</li> <li>2. Annual target for domestic water use: monthly water consumption per RMB 10,000 of output value to decrease year by year, with a unit consumption <math>\leq</math> 2.0 tonnes</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>• Shishi handsets and components division: In Progress</li> <li>• Guangdong network communication facilities division: Production water: In progress; Domestic water: Completed</li> </ul>	<ul style="list-style-type: none"> <li>• Monitor the production rate of purified water. The use of purified water must be approved. Purified water should never be used if it can be replaced by tap water</li> <li>• Concentrated water is a byproduct of purified water production and can be used as a substitute for tap water in public toilet flushing, cooling tower makeup, roof and road cooling and cleaning, and greening irrigation, etc., with the aim of replacing tap water as much as possible</li> <li>• Regularly inspect the plant's tap water, purified water, and concentrated water pipe networks, monitor water volume, and promptly repair any abnormal data or leaks found in the pipe network</li> <li>• Install water-saving faucets or faucet sensors to control switches</li> <li>• Regularly check faucets and pipes for leaks and repair them promptly</li> </ul>

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During the year, the Group's main water source was municipal water supply, and there were no issues with obtaining suitable water sources. The Group's total water consumption was 2,062,405.97 (2024: 2,137,652.76) cubic meters, with a water intensity of 0.40 (2024: 0.38) cubic meters per HK\$ 1,000. The decrease in total water consumption compared to last year was mainly due to adjustments in the production bases covered by the Shishi home appliances division, and the fact that Tongda Precision is no longer included in the scope of this year's Report.

Water consumption	Unit	2025 <sup>4</sup>	2024	Change
Total water consumption	M <sup>3</sup>	2,062,405.97	2,137,652.76	-3.52%
Water consumption intensity (by revenue)	M <sup>3</sup> /HK\$ 1,000	0.40	0.38	5.26%

### Office supplies

Tongda Group prioritizes sustainable resource utilization through comprehensive energy-saving and consumption reduction programs in its offices. We implement various measures to reduce energy consumption, including optimizing water, electricity, and fuel efficiency, while introducing innovative office supply management solutions. Our paperless office initiative—a key strategic project—reduces paper consumption through electronic document systems, double-sided printing policies, and comprehensive waste paper recycling. To ensure precise resource management, departments submit regular paper usage budgets, which both controls consumption and advances our environmental protection targets.

## Environmental, Social and Governance Report

Paper consumption target	Completion progress	Actions taken to achieve the targets
<ul style="list-style-type: none"> <li>Xiamen smart tech division:                             <ol style="list-style-type: none"> <li>Monthly paper consumption / RMB 10,000 of output value per month <math>\geq</math> 5.0%</li> </ol> </li> <li>Guangdong network communication facilities division:                             <ol style="list-style-type: none"> <li>Annual target: Reduce the number of A4 paper packs consumed per RMB 10,000 of output value each month year by year</li> <li>Monthly target: Monthly paper consumption / RMB 10,000 of output value per month <math>\leq</math> 0.10 pack</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>Xiamen smart tech division: Completed</li> <li>Guangdong network communication facilities division: Completed</li> </ul>	<ul style="list-style-type: none"> <li>To promote paperless office practices, paper-based application processes in all departments have been eliminated, replaced by submission and approval via the OA system</li> <li>Internal documents and materials will be circulated primarily through the internal LAN or electronically, and reducing the number of printed documents</li> <li>Printers will be equipped with card readers; printed documents can only be retrieved after swiping a work card, preventing uncollected documents from being mistakenly taken and wasted twice</li> <li>Informal documents are required to be printed double-sided, and 100% of single-sided waste paper will be recycled and reused</li> </ul>

### Packaging materials

Management provisions for product packaging	
<p><b>Policy of the Group and its subsidiaries</b></p> <ul style="list-style-type: none"> <li><i>“Product Packaging and Design Specifications”</i></li> <li><i>“Management provisions for product packaging”</i></li> </ul>	<p><b>Key points</b></p> <p>Standardize packaging design and materials, and formulate management specifications for purchasing packaging materials, so as to meet requirements in customer orders</p>

In terms of product packaging, we use a diverse range of packaging materials, including eco-friendly cardboard boxes, blister packs, corrugated cardboard, and vacuum bags. Through rigorous demand assessment and inventory management systems, we ensure accurate and efficient procurement of packaging materials. Simultaneously, we continuously innovate packaging designs, optimizing packaging size and weight while ensuring product safety, and actively promote packaging material recycling programs to maximize resource utilization and minimize environmental impact.

## Environmental, Social and Governance Report

During this year, the Group used a total of 9,612.62 (2024: 10,307.04) tonnes of finished product packaging materials, with a packaging material intensity of 1.86 (2024: 1.84) KG/HK\$ 1,000. The decrease in packaging material usage compared to last year was mainly due to adjustments in the production bases covered by the Shishi home appliances division, and the exclusion of Tongda Precision from the scope of this year's Report.

Packaging materials	Unit	2025 <sup>4</sup>	2024	Change
Paper	Tonnes	<b>6,093.82</b>	6,600.38	-7.67%
Plastics	Tonnes	<b>2,717.47</b>	2,998.04	-9.36%
Wood	Tonnes	<b>801.33</b>	708.63	13.08%
Total materials used in the packaging of finished products	Tonnes	<b>9,612.62</b>	10,307.04	-6.74%
Packaging material intensity	KG/HK\$ 1,000	<b>1.86</b>	1.84	1.09%

### Environment and natural resources

The Group enhances employee awareness of environmental issues through education and training, and garners employee support to improve the Group's performance. It also promotes environmental awareness among customers, business partners, and shareholders, supports community activities related to environmental protection and sustainable development, and regularly assesses and monitors past and present business activities that have impacted health, safety, and the environment. As Scope 3 emissions have been taken into consideration this year, including the impacts of purchased goods and services, capital goods, fuel and energy-related activities, upstream transportation and distribution, operational waste, business travel, employee commuting, downstream transportation and distribution, and other value chain activities, the Group will briefly discuss the environmental and natural resource impacts of the above matters. We advocate adhering to the "Reduction, Reuse, Recycle (3R)" environmental policy to ensure that relevant environmental factors and impacts are identified in the operations and activities of our organizations, and to develop applicable control procedures to mitigate identified significant impacts. In conjunction with the policies and measures described in the "Emissions" and "Resource Use" sections, the Group is committed to reducing its impact on the environment and natural resources.

During the reporting period, the Group's principal business activities did not have a significant impact on the environment and natural resources.

# Environmental, Social and Governance Report

## Tackling Climate Change

Global climate change poses unprecedented challenges to the economy and society. Mainland China is actively addressing this global issue through green economic transformation and clear energy consumption reduction targets aimed at achieving “carbon peak” and “carbon neutrality”. As a responsible corporate citizen, Tongda Group fully supports this vision and contributes to these dual carbon targets through comprehensive low-carbon operational strategies. We continuously optimize our processes to reduce our environmental footprint while maintaining a robust internal policy framework that ensures all production facilities meet the highest standards in emissions management and resource utilization.

### *Governance*

The Group’s climate change-related matters and issues are guided, reviewed, and monitored by the Board of Directors, which has authorized the ESG Working Group to carry out specific work. For details of its management structure and specific responsibilities, please refer to the “Sustainable Development Governance – Governance Framework” section of this Report. To avoid duplication with the disclosures in the “Sustainable Development Governance – Governance Framework” section of this Report, this section, in accordance with paragraph 19 of Part D of the Code, only discloses supplementary information on the governance of climate issues, including the Board’s arrangements for monitoring climate-related risks and opportunities, the role of management, and related monitoring measures. When overseeing the Group’s strategy and deliberating on major transactions, the Board will take into account the results of the climate risk and opportunity assessment (including scenario analysis), incorporate climate factors into the risk management process and review of relevant policies, and make trade-offs regarding compliance costs, operational resilience and long-term development opportunities.

To enhance the Board’s expertise and decision-making capabilities on climate issues, and to strengthen climate governance, Board members receive at least one ESG-focused training session annually to reinforce their sense of responsibility and commitment to sustainable development. In assessing whether the Board collective possesses the appropriate skills and capabilities to oversee climate-related risks and opportunities, the Board regularly reviews its knowledge needs through structured self-assessments and discussions in routine meetings. These reviews enable the Board and senior management to identify areas where additional climate-related expertise may be required. If gaps are identified, the Group arranges external briefings, industry updates, or ESG-related training for directors and senior management to ensure continued compliance with evolving regulatory expectations and climate-related developments, and, where necessary, incorporates relevant expertise into director appointments/successions.

The Board has delegated the day-to-day management of climate-related risks and opportunities to the ESG working group. The ESG working group is responsible for implementing climate and energy-related initiatives, collaborating with external consultants to assess climate risks and opportunities, and promoting cross-departmental coordination and communication to ensure comprehensive and effective climate risk management at the Group level. The ESG working group provides updates on climate-related risks, opportunities, and developments at regular management meetings and in its regular reports to the Board. Climate-related matters are reported to the Board through established reporting channels, with executive directors and senior management providing updates at routine Board meetings.

The Board is informed of climate-related risks, opportunities, performance indicators, and emerging regulatory developments at least annually, and more frequently if significant issues arise. The Group has integrated climate-related controls and monitoring procedures into its existing internal control and risk management system to ensure that climate-related considerations are reviewed in conjunction with other operational, compliance, and strategic risks.

The Board of Directors is responsible for overseeing the setting of climate-related targets and regularly reviewing progress toward those targets and providing guidance on improvement measures and resource allocation when necessary; we recognize the importance of linking climate performance to senior management compensation in enhancing the Group's climate resilience and realizing its long-term value. We will explore the feasibility of incorporating climate-related indicators into senior management compensation considerations in the future.

### *Strategy*

To address climate change challenges and opportunities, we take a proactive approach through detailed analysis of industry-specific climate risks and targeted response strategies. Our comprehensive risk assessment mechanism enables us to identify potential threats early while capitalizing on opportunities presented by green transformation. Our climate strategy deeply integrates multiple scenario assessment tools, including the use of low-carbon and high-carbon climate scenarios from the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA) to conduct scenario analysis on our operating assets and businesses, combining various possibilities of future global climate change to identify climate-related risks and opportunities and assess the Group's climate resilience. This approach is consistent with the principles of the International Sustainability Standards Board (ISSB)'s International Financial Reporting Sustainability Disclosure Standard 2 – Climate-Related Disclosures, and ensures that the Group's strategic planning is grounded in the latest climate science and global socio-economic projections.

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This year, we commissioned an independent external consultant to conduct a preliminary identification and analysis of climate-related risks and opportunities in the industry in which the Group operates and the geographical locations of its main operating locations in Mainland China. This analysis will serve as a basis for the Group's future climate transition plans. Our current research only covers designated assets and businesses. We will explore the feasibility of expanding the research scope in the future. In addition, while we currently lack sufficient data to conduct a quantitative assessment of the financial impact of physical risks on our upstream and downstream supply chain, we will gradually strengthen outreach and mobilization across the value chain. Our goal is to assist suppliers and dealers in establishing climate risk assessment and monitoring systems, and to expand the scope of our assessments.

### *Time Horizons and Climate Scenarios Selection*

Risk and opportunities category	Assessment time range <sup>6</sup>	Climate scenario choice
<b>Physical risk</b> <ul style="list-style-type: none"> <li>• Acute</li> <li>• Chronic</li> </ul>	<ul style="list-style-type: none"> <li>• Short term: Current-2030</li> <li>• Medium term: 2031-2040</li> <li>• Long term: 2041-2050</li> </ul>	<p>The Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report uses the same socio-economic pathway (IPCC AR6 SSP):</p> <ol style="list-style-type: none"> <li>1) Low-carbon scenario (consistent with the Paris Agreement): <ul style="list-style-type: none"> <li>• SSP1-2.6</li> </ul> </li> <li>2) High-carbon scenario (everything remains the same): <ul style="list-style-type: none"> <li>• SSP3-7.0</li> <li>• SSP5-8.5</li> </ul> </li> </ol>
<b>Transition risk</b> <ul style="list-style-type: none"> <li>• Policy and law</li> <li>• Technology</li> <li>• Market</li> <li>• Reputation</li> </ul>		<p>International Energy Agency (IEA)</p> <ol style="list-style-type: none"> <li>1) Low-carbon scenario (consistent with the Paris Agreement): <ul style="list-style-type: none"> <li>• Net-zero emissions scenario (NZE)</li> </ul> </li> <li>2) High-carbon scenario (everything as is): <ul style="list-style-type: none"> <li>• Established policies scenario (STEPS)</li> </ul> </li> </ol>
<b>Transition opportunity</b> <ul style="list-style-type: none"> <li>• Resources</li> <li>• Energy</li> <li>• Product or services</li> <li>• Market</li> <li>• Resilience</li> </ul>		

<sup>6</sup> The assessment timeframe is designed to align with the Group's target of achieving "carbon peaking" in China, where it operates primarily, by 2030. The medium-and long-term assessments are conducted in 10-year intervals to match the frequency of risk changes and to evaluate the short-term, medium-term, and long-term impacts.

# Environmental, Social and Governance Report

## Climate related risk and opportunities analysis result

Climate risk and opportunities	Impact level and time range	Influence path	Financial impact
<b>Climate risk</b>			
<b>Acute risk</b>			
Acute risk: Extreme weather events, such as typhoons and torrential rains	Medium Short-long term	<ul style="list-style-type: none"> <li>Business model: May damage production facilities and affect employee safety and normal operations</li> <li>Value chain: May cause instability in raw material supply, potentially leading to supply shortages or significant price fluctuations, impacting production cost control</li> </ul>	<ul style="list-style-type: none"> <li>Operating costs for maintenance, insurance, and raw material procurement may increase</li> <li>Revenue losses may result due to business disruptions and product shortages</li> </ul>
Chronic risk: Rising average temperatures are increasing the frequency of extreme heat events; rising sea levels are increasing the likelihood of flooding	Medium Long-term	<ul style="list-style-type: none"> <li>Business model: Rising temperatures may increase the demand for cooling and energy consumption in the plant</li> <li>Value chain: Considering that the Group's main operations are currently concentrated in coastal cities, rising sea levels and resulting flooding could affect the logistics arrangements required for the Group's business, impacting operational stability</li> </ul>	<ul style="list-style-type: none"> <li>Rising operating costs related to energy</li> <li>Increased operational instability may result in revenue losses</li> </ul>
<b>Transition risk</b>			
Policies and regulations: Rising carbon prices; increasingly stringent carbon management policies; increasingly stringent environmental regulations	Medium Long-term	<ul style="list-style-type: none"> <li>Business model: With the implementation of carbon pricing mechanisms and rising carbon prices in various regions, coupled with the introduction and tightening of related policies, the frequency of compliance inspections for enterprises is expected to increase significantly</li> <li>Value chain: Tighter government or industry regulations and more stringent compliance requirements</li> </ul>	<ul style="list-style-type: none"> <li>Increased operating costs and compliance expenses</li> </ul>

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Climate risk and opportunities	Impact level and time range	Influence path	Financial impact
Technology: Technological improvements or innovations that support the transition to a low-carbon, energy-efficient economy may put significant pressure on businesses' operations and development	Low Short-medium term	<ul style="list-style-type: none"> <li>Business model: To achieve a low-carbon transition, companies need to invest heavily in equipment upgrades and technological transformations, including adopting clean energy and improving energy efficiency</li> <li>Value chain: Requirements for selecting suppliers who provide relevant technologies and services need to be correspondingly enhanced</li> </ul>	<ul style="list-style-type: none"> <li>Increased capital expenditures for equipment upgrades and technological transformations have put pressure on short-term profits</li> </ul>
Market: Market demand for low-carbon products is increasing	Medium Medium- long term	<ul style="list-style-type: none"> <li>Business model: The increasing market demand for environmentally friendly products requires companies to adjust their production processes and product structures in a timely manner, leading to development pressures. Failure to meet market expectations may result in a loss of market share</li> <li>Value chain: Customers are increasingly demanding higher carbon emission standards for the group's products; simultaneously, the group needs to raise its requirements when selecting suppliers of raw materials or services</li> </ul>	<ul style="list-style-type: none"> <li>Failure to meet market expectations may result in revenue losses and profit declines</li> </ul>

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Climate risk and opportunities	Impact level and time range	Influence path	Financial impact
<p>Reputation: Stakeholders are paying more attention to climate-related information disclosure</p>	<p>Low Long-term</p>	<ul style="list-style-type: none"> <li>Value chain: Regulators, investors, customers, and consumers are increasingly demanding public disclosure of climate risks and low-carbon products</li> <li>Business model: Non-compliant disclosures and inappropriate climate performance may lead to reputational damage and financing difficulties, thus posing risks to business operations and revenue</li> </ul>	<ul style="list-style-type: none"> <li>Failure to meet stakeholder expectations may result in revenue losses, increased financing costs, and decreased profits</li> </ul>
<b>Climate opportunities</b>			
<p>Resources: Carbon asset development may bring additional revenue streams to the group; Green finance will provide the group with more financing options for business expansion</p>	<p>Low Long-term</p>	<ul style="list-style-type: none"> <li>Value chain: The carbon trading market is maturing, and green finance is booming</li> <li>Business model: Enterprises can gain additional revenue in the carbon trading market, including through various means such as carbon allowance trading and carbon credit trading; they can obtain more favorable loan interest rates, more diversified financing channels, and support from innovative financial instruments such as green bonds</li> </ul>	<ul style="list-style-type: none"> <li>Opportunities to earn additional income in the carbon trading market</li> <li>Lower financing costs and improved capital efficiency</li> </ul>

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Climate risk and opportunities	Impact level and time range	Influence path	Financial impact
<p>Energy: Adopt clean energy and new technologies to reduce reliance on traditional energy sources; Improve operational efficiency through energy conservation and emission reduction</p>	<p>Low Short-long term</p>	<ul style="list-style-type: none"> <li>Business model: Implement systematic energy conservation and emission reduction measures, including optimizing production processes, upgrading equipment efficiency, improving process technology, and adopting advanced energy management systems and intelligent equipment</li> <li>Value chain: Significantly reduce the group's dependence on traditional fossil fuels and improve the stability and sustainability of energy supply</li> </ul>	<ul style="list-style-type: none"> <li>Operating costs for energy consumption and emissions allowances are reduced</li> </ul>
<p>Products or services: Market demand for low-carbon products is increasing</p>	<p>Medium Medium-long term</p>	<ul style="list-style-type: none"> <li>Business model: Continuously invest in R&amp;D resources to develop innovative products and solutions with environmentally friendly characteristics, such as using recyclable materials and adopting energy-saving designs, to meet the growing market demand for green products; capitalize on the strong market demand for low-carbon and environmentally friendly products, develop new product lines, and enhance the environmental performance and market competitiveness of products through product upgrades and innovative design</li> <li>Value chain: Due to tightening policies, customers are more willing to purchase low-carbon products</li> </ul>	<ul style="list-style-type: none"> <li>Increase revenue levels</li> </ul>

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Climate risk and opportunities	Impact level and time range	Influence path	Financial impact
<p>Market:</p> <p>Explore new markets and expand market share</p> <p>Enhance brand competitiveness and market position</p>	<p>Medium</p> <p>Medium -long term</p>	<ul style="list-style-type: none"> <li>Business model: Developing environmentally friendly and innovative products and solutions to enhance brand competitiveness and market position, thereby increasing sales revenue</li> <li>Value chain: Growing demand for low-carbon products provides the Group with opportunities to explore new markets and expand market share</li> </ul>	<ul style="list-style-type: none"> <li>Enter high-growth markets and expand revenue</li> </ul>
<p>Resilience:</p> <p>Enhance supply chain resilience and mitigate the impact of climate risks</p> <p>Gain a first-mover advantage by proactively planning for low-carbon transformation</p>	<p>Medium</p> <p>Short-long term</p>	<ul style="list-style-type: none"> <li>Business model: Proactively implement a low-carbon transformation strategy, including technological innovation, management optimization, and business model innovation, to gain a competitive edge in future stricter environmental policies and market competition, and achieve sustainable development</li> <li>Value chain: Optimize supply chain management, establish a diversified supplier network, enhance the adaptability and resilience of the supply chain, and effectively address the various challenges and risks brought about by climate change</li> </ul>	<ul style="list-style-type: none"> <li>Reduce revenue fluctuations caused by supply disruptions</li> <li>Potential market share gains, leading to increased revenue</li> </ul>

It is important to note that these scenarios are not definitive outcomes for the Group. This scenario analysis exercise is based on assumptions that may or may not materialize and on the information available at the time of preparation, and the scenarios may be influenced by additional factors beyond the assumptions made in the exercise and hence do not represent actual future outcomes.

# Environmental, Social and Governance Report

## Response measure

Based on the results of the scenario analysis, we have taken appropriate measures to enhance our capacity to respond to, mitigate, and adapt to climate risks, and to strengthen our climate resilience in response to the identified major physical and transitional risks. The Group has formulated relevant policies on energy consumption and climate change and is implementing them at key operating sites. The Group regularly reviews the effectiveness of these policies and measures.

### Group policies

Please refer to the Group's relevant policies in the "Energy Consumption" section.

- "Continuous Improvement Control Procedures"
- "New Project Environmental Impact Assessment Control Procedures"
- "Environmental Factor Identification and Impact Assessment Control Procedures"
- "Emergency Preparedness and Response Control Procedures"
- "GHG Management System"

### Key points

To promote sustainable development and mitigate climate change, we will formulate relevant management systems for climate change and promote the effective implementation of GHG management within the Group through emission reduction and energy conservation.

Regarding climate change-related risk regulations, risk assessments, and control procedures will be established to promptly identify and respond to climate risks and opportunities, thereby enhancing the Group's resilience to climate change.

For potential emergencies arising from climate change, emergency response procedures and preventative measures will be developed to improve the Group's ability to respond to climate change.

## Environmental, Social and Governance Report

At the same time, to address increasingly frequent extreme weather events, we have established a comprehensive emergency management system to ensure business continuity and stability. The Shishi handsets and components division has developed an action plan for responding to extreme weather:

<b>Strengthening bottom-line thinking</b>	<ul style="list-style-type: none"> <li>Enhancing risk awareness, improving prevention and control capabilities, and focusing on prevention and mitigation of material risks</li> <li>Strengthening emergency management training for relevant department heads at all levels to improve their awareness on extreme weather, and to enhance their emergency response capabilities</li> </ul>
<b>Strengthening forecasting and early warning</b>	<ul style="list-style-type: none"> <li>Prioritizing prevention and increasing the frequency of extreme weather monitoring and forecasting</li> <li>Establishing a point-to-point early warning and response mechanism to promptly remind relevant departments in performing prevention and response work</li> <li>Circulating weather forecast information to employees for early hazard prevention and risk avoidance</li> </ul>
<b>Strengthening operability of plans</b>	<ul style="list-style-type: none"> <li>Developing a comprehensive linkage mechanism of early weather warning and emergency response, quantifying relevant activating standards, and formulating specific extreme weather prevention and response measures</li> </ul>
<b>Strengthening unified command</b>	<ul style="list-style-type: none"> <li>Enhancing the unified governance of disaster prevention, mitigation and relief work, and reinforcing relevant responsibilities of various departments</li> <li>Fostering responsibilities of the emergency management department and other related departments, establishing emergency contacts and on-duty personnel, to facilitate leadership, commanding and coordination</li> </ul>
<b>Strengthening resources allocation</b>	<ul style="list-style-type: none"> <li>Based on risk assessment, providing guidance and supervising relevant departments to deploy corresponding resources for high-risk areas in advance</li> </ul>
<b>Strengthening publicity and education</b>	<ul style="list-style-type: none"> <li>Conducting extensive publicity and education on disaster prevention and mitigation to enhance employees' risk awareness and ability to avoid disasters</li> </ul>

## Environmental, Social and Governance Report

At this stage, due to the limited availability of reasonable and supportable forward-looking data and the high degree of measurement uncertainty involved, the Group is unable to provide quantitative forecasts of the future financial impacts arising from climate-related risks and opportunities and instead discloses such climate-related financial impacts qualitatively at this stage. For details on climate-related capital expenditures and operating budget arrangements, please refer to the “Climate Change – Indicators and Targets” in this Report. The Group has also not formulated any climate-specific funding strategy at this stage. Climate-related initiatives, where required, will continue to be supported through existing operating budgets, and the Group will consider additional funding needs as climate-related requirements or strategic priorities evolve. While the separate quantification of individual climate-related financial effects is not feasible at present, the Group anticipates that the combined financial impact of climate-related risks—primarily those relating to extreme weather events, energy price volatility, and supply chain disruptions—may affect operating costs, cost of goods sold, and gross profit margin in the future. Given the Group’s business scale and exposure profile, such impacts are not expected to be material in the short term. During the year, the Tongda Group was not significantly affected by the extreme weather events.

To mitigate physical and transitional risks, the Group actively promotes energy conservation and carbon reduction measures, striving to create a green and low-carbon operating model. We have established dedicated energy management teams in each division to comprehensively monitor and implement energy conservation and emission reduction efforts. These teams are responsible not only for the statistics and monitoring of daily energy use but also for regular equipment inspections to ensure energy efficiency. The Group currently and in previous reporting periods has no formal climate-related transition plan, nor has it developed a structured transition path, nor has it established the explicit assumptions or dependencies typically found in such plans. The Group continues to monitor evolving regulatory requirements, market expectations, and industry practices, and will consider developing a more specific transition plan when appropriate and practicable. By regularly setting specific targets and conducting performance evaluations, we continuously optimize our energy management system, effectively preventing resource waste. These measures not only demonstrate our efforts to mitigate climate change but also showcase the Group’s determination to enhance its own climate resilience. For details on climate-related target setting and progress, please refer to the “Climate Change Response – Metrics and Targets” section of this Report.

In practical terms, we take the management model of the Xiamen handsets and components division and Shishi handsets and components division as a model. By referring to the internationally recognized ISO14064-1 standard, we have established a comprehensive GHG Management Regulation to systematically monitor and manage GHG emissions. Our environmental management team regularly collects and analyzes data, covering all emission sources from relevant facilities and activities, laying a solid foundation for future emission reduction efforts.

Meanwhile, the Group regularly reviews global and local government policies and regulatory updates on climate change, technological advancements, and market trends. Enhance communication with government and regulatory authorities to ensure timely understanding of policy changes and proactive adjustments to relevant work to adapt to the ever-changing regulatory environment. The Group is exploring the application of environmentally friendly technologies and green energy in appropriate business segments to mitigate technological and market-related climate risks and enhance its sustainability capabilities. Furthermore, the Group regularly publishes ESG Reports, enhance communication with stakeholders, improve transparency and trust, and strengthen and optimize climate change risk management. Regularly communicate with professional consultants on climate-related impacts and response strategies to understand emerging climate-related risks and their opinions and perspectives on climate-related issues, and identify potential climate-related risks that may impact the Group's business.

### Risk management

The Group has integrated climate-related risks and opportunities into the Group's overall risk management framework for risk identification, assessment and monitoring to strengthen business resilience and maintain competitiveness in the face of rapidly evolving climate challenges. For details regarding its management framework and processes, please refer to the "Sustainable Development Governance – Risk Management" section of this Report. Compared to previous years, to better manage climate-related risks and opportunities, this year we adopted a multidisciplinary approach that incorporates the TCFD framework and science-based scenario analysis. This enables the Group to systematically identify, assess, and manage climate-related risks and opportunities. Regarding the input data and parameters used in the analysis, as well as the analysis results on the nature of the risk and opportunity impacts, for details please refer to the "Climate Change Response – Strategies" section of this Report.

To address these risks and adapt to emerging challenges, the Group has established a robust climate risk management system. It engages both external experts and internal stakeholders to enhance the organization's capacity to respond effectively to climate related issues. Regular stakeholder engagement enables the Group to incorporate diverse perspectives into its climate strategy, ensure that the strategy is aligned with the Group's business development and emissions reduction targets.

## Environmental, Social and Governance Report

The Group follows a structured procedure to identify and prioritise material physical and transition risks and opportunities, evaluate the associated business and financial impacts, and define corresponding resilience strategies. Climate-related risks are prioritized using the same qualitative considerations as the Group's broader risk management framework. Risks that may have a significant impact on operations, finances, or compliance are assigned a higher monitoring and management priority to ensure consistency with the Group's overall risk ranking methodology. We develop detailed corporate risk management plans annually, including those related to climate, and continuously update our risk assessment lists to comprehensively identify and manage potential risks. Through regular review and optimization of our risk management strategies, we are committed to building a more robust ESG management system and promoting the Group's sustainable development. Compared to the previous reporting period, the Group has not made any significant changes to its processes for identifying, assessing, prioritizing, and monitoring climate-related risks. Further improvements will be considered as more data, regulatory guidance, and climate-related tools become available.

### Metrics and Target

Our Group uses key indicators to assess and manage climate-related risks and opportunities. Energy consumption and GHG emissions are key indicators for assessing and managing climate-related risks, and we believe this information is relevant to assessing the impact of our operations on global climate change. Our Group regularly tracks energy consumption (see "Commitment to the Environment – Energy Consumption" in this Report for details) and greenhouse gas emissions to assess the effectiveness of emission reduction measures and set targets to reduce our impact on global warming.

This year, we disclose GHG emissions data for the Group's principal operations in Mainland China, including carbon dioxide, methane, and nitrogen dioxide, consistent with the reporting scope of this Report. Please refer to the "About this Report – Reporting Scope" section of this report for details. Generally, we use the operating control approach to set Group boundaries for reporting, unless otherwise stated.

The Group measures its GHG emissions in accordance with the GHG Protocol: A Corporate Accounting and Reporting Standard (2004). Additionally, for the first time, we referenced the GHG Accounting Systems: Enterprise Value Chain (Scope 3) Accounting and Reporting Standards (2011) to identify our Scope 3 GHG emissions in 15 categories within Scope 3. This year, we identified and disclosed for the first time eight Scope 3 categories relevant to our business. Other categories were excluded because they are unrelated to our business or the data is not material for quantification. Specifically, this year we preliminarily disclosed Scope 3 GHG emissions for a total of eight categories: Category 1 – purchased goods and services, Category 2 – capital goods, Category 3 – fuel and energy related activities, Category 4 – upstream transportation and distribution, Category 5 – waste generated in operation, Category 6 – employee travel, Category 7 – employee commuting, and Category 9 – downstream transportation and distribution. In the future, the Group will continue to optimize its Scope 3 data collection processes and gradually expand the disclosure scope based on data credibility.

## Environmental, Social and Governance Report

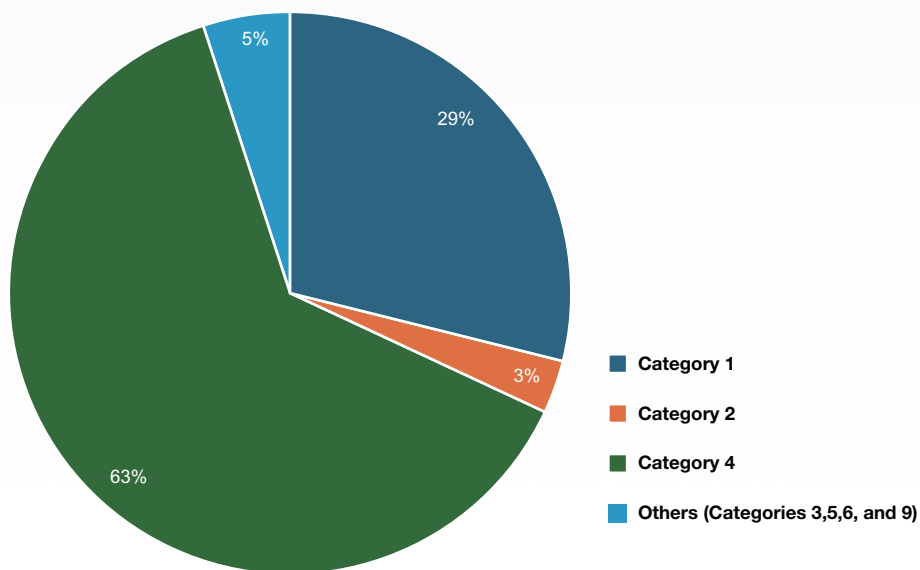
For the year, the Group's total GHG emissions from Scope 1 and Scope 2 amounted to 113,343.92 (2024: 176,604.69) metric tonnes of CO<sub>2</sub> equivalent, and the GHG emission intensity for Scope 1 and Scope 2 was 21.88 (2024: 31.59) kg CO<sub>2</sub> equivalent/HK\$ 1,000. The total emissions decreased significantly compared to last year, mainly due to the adjustment of the production bases covered by the Shishi home appliances division in Scope 1 and Scope 2 emissions, and the fact that Tongda Precision is no longer included in the scope of this year's Report disclosure, resulting in a reduction in the energy used by the Group for production within the scope of the Report this year, and consequently a decrease in GHG emissions. For the year, the Group's total GHG emissions from Scope 3 were 364,303.27 metric tonnes of CO<sub>2</sub> equivalent, and the total GHG emissions from Scope 1, Scope 2, and Scope 3 were 477,647.19 metric tonnes of CO<sub>2</sub> equivalent.

GHG emission	Unit	2025 <sup>4</sup>	2024	Change
Direct emission (Scope 1)	Tonnes of CO <sub>2</sub> e-	<b>8,471.08</b>	8,843.98	-4.22%
Indirect emission (Scope 2 Based on region)	Tonnes of CO <sub>2</sub> e-	<b>104,872.84</b>	167,760.71	-37.49%
Value-chain indirect emission (Scope 3)	Tonnes of CO <sub>2</sub> e-	<b>364,303.27</b>	Not Applicable <sup>7</sup>	Not Applicable <sup>7</sup>
Total GHG emission (Scope 1 and 2)	Tonnes of CO <sub>2</sub> e-	<b>113,343.92</b>	176,604.69	-35.82%
Total GHG emission (Scope 1,2 and 3)	Tonnes of CO <sub>2</sub> e-	<b>477,647.19</b>	Not Applicable <sup>7</sup>	Not Applicable <sup>7</sup>
GHG emission intensity (Scope 1 and 2) (Calculated by revenue)	KG of CO <sub>2</sub> e-/ HK\$ 1,000	<b>21.88</b>	31.59	-30.74%
GHG emission intensity (Scope 1, 2 and 3) (Calculated by revenue)	KG of CO <sub>2</sub> e-/ HK\$ 1,000	<b>92.21</b>	Not Applicable <sup>7</sup>	Not Applicable <sup>7</sup>

<sup>7</sup> Since data for Scope 3 was not collected in previous years, this method is not applicable here.

## BREAKDOWN OF SCOPE 3 EMISSIONS

### Breakdown of Scope 3 Greenhouse Gas Emission Categories



During the reporting period, aside from capital investments for upgrading energy-saving and emission-reduction equipment, the Group has not made any other significant capital expenditures, financing, or investments specifically for addressing climate-related risks or pursuing climate-related opportunities. Climate-related initiatives are currently being carried out through existing operating budgets. The Group will continue to monitor its climate-related risks and opportunities and may allocate targeted capital resources as climate-related matters become necessary or relevant to operational needs.

We have not yet incorporated internal carbon pricing into our decision-making process. Considering that introducing internal carbon pricing is a long-term endeavor, we will assess and study its feasibility when the time is right.

Based on currently available information, the Group estimates that almost all of its business activities within the scope of this Report fall into the low to medium risk category in terms of climate-related transition and physical risks, and the impact of climate-related opportunities on the Group is also at a low to medium level. For more details, please see the “Climate Change Response – Strategies” section of this Report.

## Environmental, Social and Governance Report

The Group keenly understands that GHG emission reduction requires a comprehensive approach, considering factors such as business scale, energy mix, and supply chain management. To support the transition to a low-carbon economy and society, the Group has set the following climate-related targets:

Metrics	Baseline year	Targets	2025 vs baseline year	Status
Energy consumption intensity	2024	Reduce the intensity by 10% compared to the baseline year in the year 2030.	-30.42%	In progress
Water resource consumption intensity	2024	Reduce the intensity by 5% compared to the baseline year in the year 2030.	5.26%	In progress
Greenhouse gas emission intensity in Scope 1 and Scope 2	2024	Reduce the intensity by 10% compared to the baseline year in the year 2030.	-30.74%	In progress
Scope 3 GHG carbon emissions	Not applicable	We will play a guiding role by continuously strengthening carbon reduction efforts along the value chain through green travel incentives, remote work strategies, green travel initiatives, transportation subsidies, the use of renewable packaging and raw materials, optimization of transportation routes, reduction of road freight, and vehicle energy conversion.	Not applicable	In progress

## Environmental, Social and Governance Report

The Group has established a quantified emissions baseline or interim decarbonization milestones at this stage. Future development of a more detailed roadmap will be contingent upon improved data availability, evolving regulatory expectations, and ongoing enhancements to the Group's climate-related measurement capabilities. The target is not derived using a sectoral decarbonization approach, and the Group does not presently plan to rely on carbon credits. Should the Group consider the use of carbon credit in the future, relevant verification schemes and associated criteria will be disclosed.

To achieve our environmental vision and climate-related targets, the Group actively promotes energy conservation and carbon reduction measures, striving to create a green and low-carbon operating model. We have established dedicated energy management teams in each division to comprehensively monitor and implement energy conservation and emission reduction efforts. These teams are responsible not only for the statistics and monitoring of daily energy use but also for regular equipment inspections to ensure energy efficiency. By regularly setting specific targets and conducting performance evaluations, we continuously optimize our energy management system to effectively prevent resource waste. These measures not only demonstrate our commitment to environmental protection but also showcase the Group's determination to promote sustainable development. For specific policies and measures, please refer to the "Commitment to the Environment" section of this Report.

## COMMITMENT TO THE COMMUNITY

The Group understands the importance of corporate social responsibility and is committed to giving back to society while developing our business. We not only focus on corporate growth but also emphasize creating value for local communities and promoting social inclusion.

We actively engage in various charitable projects and encourage employees to participate in community service, demonstrating corporate social value through concrete actions. Through diverse community engagement programs, we strive to bring positive influence to society and build a better future together.

This year, we mainly focused in investing resources in education development, community care, environmental protection, and community care projects, contributing approximately RMB0.20 (2024: 4.03) million to charitable causes, fully demonstrating our commitment to social development.

Cultural contribution	The Shishi handsets and components division has donated a cumulative total of RMB 180,000 this year, which is mainly used for organizing community cultural activities to support local cultural development and the harmonious development of the community
Public welfare education assistance	The Shishi handsets and components division donated RMB5,000 to Hanjiang Primary School in Shishi City The Shishi home appliances division donated RMB5,000 to Hanjiang Central Primary School in Shishi City
Health contribution	The Xiamen smart tech division donated two sets of sensory integration equipment worth RMB2,000 to Xiexing Children's Intellectual Development Center to support a special initiative for social integration of individuals with autism
Education contribution	The Shishi smart tech division donated RMB5,000 for educational charitable support

Furthermore, the Group actively organizes its employees to participate in various public welfare activities, practicing corporate social responsibility through hands-on experience and actively supporting environmental protection and community welfare.

# Environmental, Social and Governance Report

## TAKING ACTION TO PROTECT THE ECOLOGY

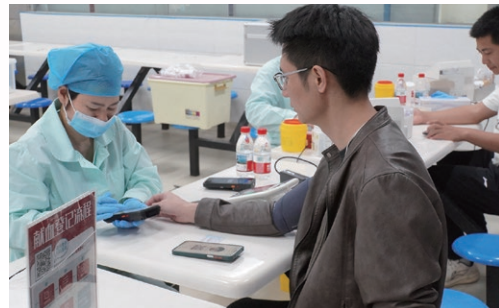
In response to the call for environmental protection, the Group actively fulfills its social responsibility, with its branches carrying out several ecological protection activities throughout the year. In response to the 56th World Earth Day theme of “Cherish the Earth, Harmony Between Humanity and Nature”, the Xiamen smart tech division organized employee volunteers to conduct a public welfare beach cleanup in Haicang Bay, cleaning up litter on the mudflats and lawns and sorting and disposing of it. During the event, a knowledge quiz was incorporated to enhance employees’ environmental awareness. In addition, on National Ecological Day, the Shishi smart tech launched a “Green Home, Protect the Wetlands” cleanup campaign at Shishi Wetland Park. Volunteers walked through the natural ecological environment to clean up waste, personally experiencing the harmonious coexistence of humans and nature. Through diverse public welfare activities, the Group helps employees grow from environmental witnesses to promoters, practicing green concepts with practical actions and demonstrating the Group’s continuous commitment to environmental protection.



\* The English names of laws, regulations, internal documents and activities provided in this Report are translated for identification purposes only.

## VOLUNTARY BLOOD DONATION SPREADS HOPE

In December 2025, the Xiamen handsets and components division, in conjunction with the Dongfu Subdistrict, organized a voluntary blood donation drive. Employees actively responded, volunteering to guide the process, set up rest areas, and provide ginger tea and nutritional supplements, ensuring a safe and comfortable donation experience. Several employees also donated blood with the assistance of medical personnel, supporting clinical blood needs through their actions. The Group will continue to promote voluntary blood donation and other public welfare initiatives, integrating social responsibility into its corporate culture and contributing warmth and strength to community building.



# Environmental, Social and Governance Report

## KEY PERFORMANCE INDICATORS OVERVIEW

### Environmental KPIs<sup>8</sup>

Air emissions	Unit	2025 <sup>9</sup>	2024	2023
Nitrogen Oxides	Kg	<b>2,747.80</b>	5,943.36	9,655.92
Sulphur Oxides	Kg	<b>224.07</b>	351.56	2,048.73
Respirable Suspended Particulates	Kg	<b>13.80</b>	27.50	51.19

GHG Emission	Unit	2025 <sup>9</sup>	2024	2023
Direct emission (Scope 1)	Tonne of CO <sub>2</sub> -e	<b>8,471.08</b>	8,843.98	6,064.96
Indirect emission (Scope 2)	Tonne of CO <sub>2</sub> -e	<b>104,872.84</b>	167,760.71	180,699.24
Other indirect emission (Scope 3)	Tonne of CO <sub>2</sub> -e	<b>364,303.27</b>	Not Applicable <sup>7</sup>	Not Applicable <sup>7</sup>
Total GHG emission (Scope 1 and 2)	Tonne of CO <sub>2</sub> -e	<b>113,343.92</b>	176,604.69	186,764.20
GHG emission intensity (Scope 1, 2 and 3)	Tonne of CO <sub>2</sub> -e	<b>477,647.19</b>	Not Applicable <sup>7</sup>	Not Applicable <sup>7</sup>
GHG emission intensity (Scope 1 and 2, by revenue)	KG of CO <sub>2</sub> -e/ HK\$ 1,000	<b>21.88</b>	31.59	28.46
GHG emission intensity (Scope 1, 2 and 3, by revenue)	KG of CO <sub>2</sub> -e/ HK\$ 1,000	<b>92.21</b>	Not Applicable <sup>7</sup>	Not Applicable <sup>7</sup>

<sup>8</sup> Except for greenhouse gas emissions, which are identified and measured in accordance with Greenhouse Gas Accounting System: Enterprise Value Chain (Scope 3) Accounting and Reporting Standard (2011) and Greenhouse Gas Accounting System: Enterprise Accounting and Reporting Standard (2004), all other key environmental performance indicators are referenced to Appendix II: Reporting Guidelines for Key Environmental Performance Indicators in How to Prepare an Environmental, Social and Governance Report.

<sup>9</sup> The scope of this Report is determined based on the significance and impact of environmental, social, and governance (ESG) factors on the Group's business segments under its operational control, covering the performance of the following business segments: Xiamen handsets and components division, Shishi handsets and components division, Xiamen smart tech division, Shishi smart tech division, Guangdong network communications division, and Shishi home appliance division. This scope differs from the coverage of the Group's annual report for this year. Furthermore, due to the change in the reporting scope, the data for this reporting period may not be entirely comparable to the data for the same period in 2024 and 2023.

## Environmental, Social and Governance Report

Waste	Unit	2025 <sup>9</sup>	2024	2023
Total amount of hazardous waste	Tonnes	<b>1,353.49</b>	1,730.39 <sup>5</sup>	1,706.40
Intensity of hazardous waste (by revenue)	KG/HK\$ 1,000	<b>0.26</b>	0.31 <sup>5</sup>	0.26
Total amount of non-hazardous waste	Tonnes	<b>8,460.30</b>	10,272.36	9,246.06
Disposed non-hazardous waste	Tonnes	<b>1,041.91</b>	1,386.21	1,630.29
Recycled non-hazardous waste	Tonnes	<b>7,418.39</b>	8,886.14	7,615.76
Intensity of non-hazardous waste (by revenue)	KG/HK\$ 1,000	<b>1.63</b>	1.84	1.42

Energy	Unit	2025 <sup>9</sup>	2024	2023
Purchased electricity	MWh	<b>167,759.02</b>	282,069.35	300,898.07
Purchased electricity (green power)	MWh	<b>12,831.00</b>	15,469.37	23,540.04
Purchased electricity (solar energy)	MWh	<b>5,684.66</b>	2,038.57	1,355.87
Unleaded petrol	MWh	<b>740.41</b>	844.27	1,048.74
Diesel oil	MWh	<b>1,043.24</b>	1,696.23	1,522.51
Pipeline natural gas	MWh	<b>11,649.33</b>	13,803.41	18,345.50
Liquefied Petroleum Gas (LPG)	MWh	–	–	9.06
Steam and heat	MWh	<b>15,241.16</b>	17,415.57	22,972.41
Total energy consumption	MWh	<b>214,948.82</b>	333,336.76	369,692.20
Energy intensity (by revenue)	KWh/HK\$ 1,000	<b>41.49</b>	59.63	60.00

Water	Unit	2025 <sup>9</sup>	2024	2023
Total water consumption	Cubic meter	<b>2,062,405.97</b>	2,137,652.76	2,313,504.00
Water consumption intensity (by revenue)	Cubic meter/ HK\$ 1,000	<b>0.40</b>	0.38	0.35

Wastewater	Unit	2025 <sup>9</sup>	2024	2023
Total domestic wastewater discharged	Tonnes	<b>452,684.62</b>	492,647.43	616,316.84
Total industrial wastewater discharged	Tonnes	<b>308,496.00</b>	481,668.03	562,363.84
Total wastewater discharged	Tonnes	<b>761,180.62</b>	974,315.46	1,178,680.68
Wastewater discharge intensity (by revenue)	KG/HK\$ 1,000	<b>146.94</b>	174.30	180.00

## Environmental, Social and Governance Report

Packaging Material	Unit	2025 <sup>9</sup>	2024	2023
Paper	Tonnes	<b>6,093.82</b>	6,600.38	7,817.75
Plastic	Tonnes	<b>2,717.47</b>	2,998.04	13,655.52
Wood	Tonnes	<b>801.33</b>	708.63	522.94
Metal	Tonnes	–	–	–
Packaging of finished products	Tonnes	<b>9,612.62</b>	10,307.04	21,996.21
Packaging material intensity	KG/HK\$ 1,000	<b>1.86</b>	1.84	3.37

### Social KPIs<sup>10</sup>

Number of employees <sup>11</sup>		2025 <sup>9</sup>	2024
Gender <sup>12</sup>	Male	<b>6,252</b>	6,344
	Female	<b>3,149</b>	3,174
Employment types	Full-time	<b>9,401</b>	8,688
	Part-time	–	60
Age	18-30	<b>3,777</b>	3,746
	31-45	<b>4,212</b>	4,362
	46-60	<b>1,412</b>	1,410
Employment level	First-tier employee	<b>6,180</b>	5,733
	Technical employee	<b>2,492</b>	2,387
	Management employee	<b>729</b>	1,398
Geographical region	Shishi	<b>5,463</b>	5,405
	Xiamen	<b>3,192</b>	3,366
	Guangdong	<b>746</b>	747
<b>Total</b>		<b>9,401</b>	9,518

<sup>10</sup> The scope of this Report is determined based on the importance and significance of the environmental, social, and governance (ESG) impacts on the Group's business segments under its operational control, and covers the performance of the following business segments: Xiamen handsets and components division, Shishi handsets and components division, Xiamen smart tech division, Shishi smart tech division, Guangdong network communications division, and Shishi home appliance division; this differs from the coverage of the Group's annual report for this year.

<sup>11</sup> As of the end of the Reporting period.

<sup>12</sup> The higher proportion of male employees compared to female employees is due to the fact that the Group's business activities are highly labor intensive and do not involve any discriminatory behavior.

## Environmental, Social and Governance Report

Other workers <sup>13</sup>		2025 <sup>9</sup>	2024
Gender	Male	1,881	2,761
	Female	1,261	1,341
Employment types	Full-time	3,142	4,102
	Part-time	–	–
Age	18-30	2,074	2,325
	31-45	591	1,087
	46-60	477	690
Employment level	First-tier employee	3,129	3,710
	Technical employee	13	300
	Management employee	–	92
Geographical region	Shishi	1,653	2,688
	Xiamen	1,002	860
	Guangdong	487	554
<b>Total</b>		<b>3,142</b>	<b>4,102</b>

<sup>13</sup> According to “How to Prepare ESG Reports – Appendix 3: Social Key Performance Indicators Reporting Guidelines” issued by the Hong Kong Exchanges and Clearing Limited (“HKEx”), other workers include: employed by the Group to work in workplaces or public places controlled by the Group and/or at the Group’s clients Workplace work/agents/contract personnel/suppliers providing services: and interns/volunteers who perform unpaid work for the Group.

## Environmental, Social and Governance Report

New hire rate <sup>14</sup>		2025	2024
Gender	Male	<b>161.68%</b>	156.27%
	Female	<b>120.13%</b>	131.32%
Employment types	Full-time	<b>147.76%</b>	138.19%
	Part-time	–	3,460.00%
Age	18-30	<b>231.59%</b>	225.07%
	31-45	<b>96.58%</b>	103.39%
	46-60	<b>76.20%</b>	80.92%
Employment level	First-tier employee	<b>214.69%</b>	228.89%
	Technical employee	<b>21.19%</b>	28.86%
	Management employee	<b>13.03%</b>	19.38%
Geographical region	Shishi	<b>162.84%</b>	126.83%
	Xiamen	<b>149.87%</b>	210.46%
	Guangdong	<b>28.28%</b>	19.14%
<b>Total</b>		<b>147.76%</b>	147.95%

<sup>14</sup> New hire percentage = Number of new hires in this category/Total number of employees in this category at the end of the reporting period x 100%.

## Environmental, Social and Governance Report

Employee turnover rate <sup>15</sup>		2025	2024
Gender	Male	<b>156.57%</b>	280.94%
	Female	<b>110.77%</b>	200.76%
Employment types	Full-time	<b>141.23%</b>	260.77%
	Part-time	–	2,565.00%
Age	18-30	<b>219.33%</b>	433.18%
	31-45	<b>94.35%</b>	137.90%
	46-60	<b>72.17%</b>	138.51%
Employment level	First-tier employee	<b>201.00%</b>	404.73%
	Technical employee	<b>29.13%</b>	32.47%
	Management employee	<b>17.70%</b>	15.52%
Geographical region	Shishi	<b>151.55%</b>	323.16%
	Xiamen	<b>149.72%</b>	192.51%
	Guangdong	<b>29.36%</b>	33.20%
<b>Total</b>		<b>141.23%</b>	254.20%

Health and safety	2025	2024	2023
Number of work-related injuries	<b>47</b>	37	54
Rate of work-related injuries	<b>0.50%</b>	0.39%	0.37%
Lost days of work-related injuries	<b>1,351</b>	1,465	2,192
Number of work-related fatalities	–	–	1
Rate of work-related fatalities	–	–	0.01%

<sup>15</sup> Employee turnover rate (percentage) = Number of employees who left this category/Total number of employees in this category at the end of the reporting period x 100%.

## Environmental, Social and Governance Report

Number and percentage of trained employees <sup>16</sup>		2025	2024
Gender	Male	<b>11,363 (181.75%)</b>	7,351 (115.87%)
	Female	<b>5,716 (181.52%)</b>	3,444 (108.51%)
Employment level	First-tier employee	<b>9,854 (159.45%)</b>	7,744 (135.08%)
	Technical employee	<b>5,580 (223.92%)</b>	2,062 (86.38%)
	Management employee	<b>1,645 (225.65%)</b>	989 (70.74%)
<b>Total</b>		<b>17,079 (181.67%)</b>	10,795 (113.42%)

Average training hours per employees (hour) <sup>17</sup>		2025	2024
Gender	Male	<b>7.24</b>	5.86
	Female	<b>6.44</b>	5.72
Employment level	First-tier employee	<b>7.07</b>	7.25
	Technical employee	<b>6.66</b>	2.95
	Management employee	<b>9.70</b>	4.83
<b>Total</b>		<b>6.97</b>	5.82

<sup>16</sup> Employee training figures include hired employees and departed employees of the Group in this year. The ratio of trained employees (percentage) = the number of trained employees in that category/the total number of employees at the end of the Reporting period for that category x 100%.

<sup>17</sup> Average training hours per employee = Total training hours of employees in this category/Total number of employees in this category at the end of the reporting period.

# Environmental, Social and Governance Report

## STOCK EXCHANGE ESG REPORTING CODE CONTENT INDEX

Aspects	Content	Page number/ remarks
<b>Mandatory disclosure requirements</b>		
Governance structure	<ul style="list-style-type: none"> <li>(i) a disclosure of the board’s oversight of ESG issues; the board’s ESG management approach and strategy, including;</li> <li>(ii) the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the Group’s businesses); and</li> <li>(iii) how the board reviews progress made against ESG-related targets and targets with an explanation of how they relate to the Group’s businesses.</li> </ul>	9-14
Reporting principles	<p><b>Materiality:</b> The Report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the Group’s stakeholder engagement.</p> <p><b>Quantitative:</b> Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.</p> <p><b>Consistency:</b> The Group should disclose in the Report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.</p>	5-6
Reporting boundary	A narrative explaining the reporting boundaries of the Report and describing the process used to identify which entities or operations are included in the Report.	4-5

# Environmental, Social and Governance Report

Aspects	Content	Page number/ remarks
<b>A1 Emissions</b>		
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the Group. Relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	67-68, 72, 81-82
A1.1	The types of emissions and respective emissions data.	71
A1.3	Total amount of hazardous waste generated (in tonnes) and (if applicable) intensity (if per unit of production, per facility).	80
A1.4	Description of emissions target(s) set and steps taken to achieve them.	80
A1.5	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	69-71
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	73, 76-79

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Aspects	Content	Page number/ remarks
<b>A2 Use of resources</b>		
General disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	63-64, 84-85, 87-88
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	66
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	87
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	65
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	86
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	89
<b>A3 The Environment and Natural Resources</b>		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	89
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	89

# Environmental, Social and Governance Report

Aspects	Content	Page number/ remarks
<b>Employment and labor practices</b>		
<b>B1 Employment and labor practices</b>		
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	45-51
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	112-114
B1.2	Employee turnover rate by gender, age group and geographical region.	115
<b>B2 Health and safety</b>		
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the Group relating to providing a safe working environment and protecting employees from occupational hazards.	38-40
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the Reporting year.	45
B2.2	Lost days due to work injury.	45
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	41-44

## Environmental, Social and Governance Report

Aspects	Content	Page number/ remarks
<b>B3 Development and training</b>		
General disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	51-56
B3.1	The percentage of employees trained by gender and employee category.	116
B3.2	The average training hours completed per employee by gender and employee category.	116
<b>B4 Labor standards</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the Group relating to preventing child and forced labour.	57
B4.1	Description of measures to review employment practices to avoid child and forced labor.	58
B4.2	Description of steps taken to eliminate such practices when discovered.	58

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Aspects	Content	Page number/ remarks
<b>Operating practices</b>		
<b>B5 Supply chain management</b>		
General disclosure	Policies on managing environmental and social risks of the supply chain.	34
B5.1	Number of suppliers by geographical region.	35
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	34
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	34
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	35-37
<b>B6 Product responsibility</b>		
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the Group relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	22-23
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	25
B6.2	Number of products and service-related complaints received and how they are dealt with.	26
B6.3	Description of practices relating to observing and protecting intellectual property rights.	27-28
B6.4	Description of quality assurance process and recall procedures.	24
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	29-30

## Environmental, Social and Governance Report

Aspects	Content	Page number/ remarks
<b>B7 Anti-corruption</b>		
General disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the Group relating to bribery, extortion, fraud and money laundering.	31
B7.1	Number of concluded legal cases regarding corrupt practices brought against the Group or its employees during the reporting period and the outcomes of the cases.	33
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	33
B7.3	Description of anti-corruption training provided to directors and staff.	32
<b>Community</b>		
<b>B8 Community investment</b>		
General disclosure	Policies on community engagement to understand the needs of the communities where the Group operates and to ensure its activities take into consideration the communities' interests.	107
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	108-109
B8.2	Resources contributed (e.g. money or time) to the focus area.	107
<b>Climate-related disclosures</b>		
(l) Governance	Information about: (a) the governance body responsible for oversight of climate-related risks and opportunities; and (b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.	90-91

## Environmental, Social and Governance Report

Aspects	Content	Page number/ remarks
<b>(II) Strategy</b>		
Climate-related risks and opportunities	Information of climate-related risks and opportunities that could be expected to affect the Group's cash flows, its access to finance or cost of capital over the short, medium or long term.	91-97
Business model and value chain	Information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the business model and value chain.	93-97
Strategy and decision-making	Information of the effects of climate-related risks and opportunities on its strategy and decision-making. Information about the progress of plans disclosed in previous reporting periods.	98-101
Financial position, financial performance and cash flows	Information about: (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and (b) the climate-related risks and opportunities identified for which there is a significant risk of a material adjustment within the next annual reporting period.  Disclosures about: (a) how the Group expects its financial position to change over the short, medium and long term; and (b) how the Group expects its financial performance and cash flows to change over the short, medium and long term.	98-101
Climate resilience	Information of the resilience of the Group's strategy and business model to climate-related changes, developments and uncertainties, with climate-related scenario analysis to assess its climate resilience.	98-101

# Environmental, Social and Governance Report

Aspects	Content	Page number/ remarks
<b>(II) Risk management</b>		
Climate-related risks and opportunities	Information about: <ul style="list-style-type: none"><li>(a) the processes and related policies used to identify, assess, prioritise and monitor climate-related risks;</li><li>(b) the processes used to identify, assess, prioritise and monitor climate-related opportunities; and</li><li>(c) the extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities are integrated into and inform the Group's overall risk management process.</li></ul>	101-102

## Environmental, Social and Governance Report

Aspects	Content	Page number/ remarks
<b>(IV) Metrics and targets</b>		
Greenhouse gas emissions	<p>The absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO<sup>2</sup> equivalent, classified as:</p> <ul style="list-style-type: none"> <li>(a) Scope 1 greenhouse gas emissions;</li> <li>(b) Scope 2 greenhouse gas emissions; and</li> <li>(c) Scope 3 greenhouse gas emissions;</li> </ul> <p>Information on:</p> <ul style="list-style-type: none"> <li>(a) measurement of greenhouse gas emissions;</li> <li>(b) the approach used to measure its greenhouse gas emissions;</li> <li>(c) location-based Scope 2 emissions, and information about any contractual instruments of Scope 2 greenhouse gas emissions; and</li> <li>(d) the categories included within the measurement of Scope 3 greenhouse gas emissions.</li> </ul>	103-104
Climate-related transition risks	The amount and percentage of assets or business activities vulnerable to climate-related transition risks.	100, 104
Climate-related physical risks	The amount and percentage of assets or business activities vulnerable to climate-related physical risks.	100, 104
Climate-related opportunities	The amount and percentage of assets or business activities aligned with climate-related opportunities.	100, 104
Capital deployment	The amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	104

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Aspects	Content	Page number/ remarks
Internal carbon prices	Information on: (a) whether and how the Group is applying a carbon price in decision-making; and (b) the price of each metric tonne of greenhouse gas emissions the Group uses to assess the costs of its greenhouse gas emissions, if any	104
Remuneration	Information on whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement.	91
Industry-based metrics	Information on industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry, if any	104

# Environmental, Social and Governance Report

Aspects	Content	Page number/ remarks
Climate-related targets	Information on: <ul style="list-style-type: none"> <li>• The qualitative and quantitative climate-related targets the Group has set to monitor progress towards achieving its strategic targets; and any targets the Group is required to meet by law or regulation, including any greenhouse gas emissions targets;</li> <li>• The approach to setting and reviewing each target, and how progress against each target is monitored; and</li> <li>• The performance against each climate-related target and an analysis of trends or changes in the Group’s performance.</li> </ul>	105-106
Applicability of cross-industry metrics and industry-based metrics	Reference to and consideration of the applicability of cross-industry metrics and industry-based metrics.	102-104